

Calendar No. 433

103D CONGRESS
2D SESSION

H. R. 4277

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To establish the Social Security Administration as an independent agency and to make other improvements in the old-age, survivors, and disability insurance program.

MAY 19 (legislative day, MAY 16), 1994

Received; read twice and placed on the calendar

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IN THE SENATE OF THE UNITED STATES

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AN ACT

To establish the Social Security Administration as an independent agency and to make other improvements in the old-age, survivors, and disability insurance program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Social Security Administrative Reform Act of 1994”.

1 (b) TABLE OF CONTENTS.—

- Sec. 1. Short title and table of contents.
- Sec. 2. Declaration of purposes.

TITLE I—ESTABLISHMENT OF THE SOCIAL SECURITY ADMINISTRATION AS AN INDEPENDENT AGENCY

- Sec. 101. Establishment of the Social Security Administration as a separate, independent agency; responsibilities of the agency.
- Sec. 102. Social Security Board, executive director, deputy director, beneficiary ombudsman; other officers.
- Sec. 103. Personnel; budgetary matters; seal of office.
- Sec. 104. Transfers to the new Social Security Administration.
- Sec. 105. Transitional rules.
- Sec. 106. Conforming amendments to Titles II and XVI of the Social Security Act.
- Sec. 107. Other conforming amendments.
- Sec. 108. Rules of construction.
- Sec. 109. Effective dates.

TITLE II—IMPROVEMENTS TO THE OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM

- Sec. 201. Restrictions on payment of benefits based on disability to substance abusers.
- Sec. 202. Issuance of physical documents in the form of bonds, notes, or certificates to the social security trust funds.
- Sec. 203. Explicit requirements for maintenance of telephone access to local offices of the Social Security Administration.
- Sec. 204. Expansion of State option to exclude service of election officials or election workers from coverage.
- Sec. 205. Use of social security numbers by States and local governments and Federal district courts for jury selection purposes.
- Sec. 206. Authorization for all States to extend coverage to State and local policemen and firemen under existing coverage agreements.
- Sec. 207. Limited exemption for Canadian ministers from certain self-employment tax liability.
- Sec. 208. Exclusion of totalization benefits from the application of the windfall elimination provision.
- Sec. 209. Exclusion of military reservists from application of the government pension offset and windfall elimination provisions.
- Sec. 210. Repeal of the facility-of-payment provision.
- Sec. 211. Maximum family benefits in guarantee cases.
- Sec. 212. Authorization for disclosure by the Secretary of Health and Human Services of information for purposes of public or private epidemiological and similar research.
- Sec. 213. Misuse of symbols, emblems, or names in reference to social security programs and agencies.
- Sec. 214. Increased penalties for unauthorized disclosure of social security information.
- Sec. 215. Increase in authorized period for extension of time to file annual earnings report.
- Sec. 216. Extension of disability insurance program demonstration project authority.

- Sec. 217. Cross-matching of social security account number information and employer identification number information maintained by the Department of Agriculture.
- Sec. 218. Certain transfers to railroad retirement account made permanent.
- Sec. 219. Authorization for use of social security account numbers by department of labor in administration of Federal workers' compensation laws.
- Sec. 220. Coverage under FICA of Federal employees transferred temporarily to international organizations.
- Sec. 221. Extension of the FICA tax exemption and certain tax rules to individuals who enter the United States under a visa issued under section 101 of the Immigration and Nationality Act.
- Sec. 222. Study of rising costs of disability insurance benefits.
- Sec. 223. Commission on childhood disability.
- Sec. 224. Disregard deemed income and resources of ineligible spouse in determining continued eligibility under section 1619(b).
- Sec. 225. Plans for achieving self-support not disapproved within 60 days to be deemed approved.
- Sec. 226. Temporary authority to approve a limited number of plans for achieving self-support that include housing goals.
- Sec. 227. Regulations regarding completion of plans for achieving self-support.
- Sec. 228. Treatment of certain grant, scholarship, or fellowship income as earned income for SSI purposes.
- Sec. 229. SSI eligibility for students temporarily abroad.
- Sec. 230. Disregard of cost-of-living increases for continued eligibility for work incentives.
- Sec. 231. Expansion of the authority of the Social Security Administration to prevent, detect, and terminate fraudulent claims for SSI benefits.
- Sec. 232. Disability review required for SSI recipients who are 18 years of age.
- Sec. 233. Continuing disability reviews.
- Sec. 234. Technical and clerical amendments.

1 **SEC. 2. DECLARATION OF PURPOSES.**

2 The purposes of this Act are as follows:

3 (1) To establish the Social Security Administra-
 4 tion as an independent agency, separate from the
 5 Department of Health and Human Services.

6 (2) To charge the Social Security Administra-
 7 tion with administration of the old-age, survivors,
 8 and disability insurance program and supplemental
 9 security income program.

1 (3) To establish a Social Security board as head
2 of the Social Security Administration and define the
3 powers and duties of such Board.

4 (4) To establish an Executive Director of the
5 Administration and define the powers and duties of
6 the Executive Director.

7 (5) To provide for delegating major authorities
8 to the Board and the Executive Director.

9 (6) To make other improvements in the old-age,
10 survivors, and disability insurance program under
11 title II of the Social Security Act.

12 **TITLE I—ESTABLISHMENT OF**
13 **THE SOCIAL SECURITY AD-**
14 **MINISTRATION AS AN INDE-**
15 **PENDENT AGENCY**

16 **SEC. 101. ESTABLISHMENT OF THE SOCIAL SECURITY AD-**
17 **MINISTRATION AS A SEPARATE, INDEPEND-**
18 **ENT AGENCY; RESPONSIBILITIES OF THE**
19 **AGENCY.**

20 Section 701 of the Social Security Act (42 U.S.C.
21 901) is amended to read as follows:

22 “SOCIAL SECURITY ADMINISTRATION

23 “SEC. 701. There is hereby established, as an inde-
24 pendent agency in the executive branch of the Govern-
25 ment, a Social Security Administration. It shall be the
26 duty of the Administration to administer the old-age, sur-

1 vivors, and disability insurance program under title II and
 2 the supplemental security income program under title
 3 XVI.”.

4 **SEC. 102. SOCIAL SECURITY BOARD, EXECUTIVE DIRECTOR,**
 5 **DEPUTY DIRECTOR, BENEFICIARY OMBUDS-**
 6 **MAN; OTHER OFFICERS.**

7 (a) IN GENERAL.—Section 702 of the Social Security
 8 Act (42 U.S.C. 902) is amended to read as follows:

9 “SOCIAL SECURITY BOARD; EXECUTIVE DIRECTOR;

10 OTHER OFFICERS

11 “Social Security Board

12 “SEC. 702. (a)(1)(A) The Administration shall be
 13 governed by a Social Security Board. The Board shall be
 14 composed of three members appointed by the President,
 15 by and with the advice and consent of the Senate. The
 16 members shall be chosen on the basis of their integrity,
 17 impartiality, and good judgment, and shall be individuals
 18 who are, by reason of their education, experience, and at-
 19 tainments, exceptionally qualified to perform the duties of
 20 members of the Board.

21 “(B)(i) Except as provided in clauses (ii) and (iii),
 22 members of the Board shall be appointed for terms of six
 23 years. A member of the Board may be removed only pur-
 24 suant to a finding by the President of neglect of duty or
 25 malfeasance in office. The President shall transmit any
 26 such finding to the Speaker of the House of Representa-

1 tives and the majority leader of the Senate not later than
2 five days after the date on which such finding is made.

3 “(ii) Of the members first appointed—

4 “(I) one shall be appointed for a term of 2
5 years,

6 “(II) one shall be appointed for a term of 4
7 years, and

8 “(III) one shall be appointed for a term of 6
9 years,

10 as designated by the President at the time of appointment.

11 Such members shall be appointed after active consider-
12 ation of recommendations made by the chairman of the
13 Committee on Ways and Means of the House of Rep-
14 resentatives and of recommendations made by the chair-
15 man of the Committee on Finance of the Senate.

16 “(iii) The President may not nominate an individual
17 for appointment to a term of office as member of the
18 Board before the commencement of the President’s term
19 of office in which the member’s term of office commences.

20 Any member appointed to a term of office after the com-
21 mencement of such term may serve under such appoint-
22 ment only for the remainder of such term. A member may,
23 at the request of the President, serve for not more than
24 one year after the expiration of his or her term until his

1 or her successor has taken office. A member of the Board
2 may be appointed for additional terms.

3 “(C) Not more than two members of the Board shall
4 be of the same political party.

5 “(D) A member of the Board may not, during his
6 or her term as member, engage in any other business, vo-
7 cation, profession, or employment. A member of the Board
8 may continue as a member of the Board for not longer
9 than the 30-day period beginning on the date such mem-
10 ber first fails to meet the requirements of the preceding
11 sentence.

12 “(E) Two members of the Board shall constitute a
13 quorum, except that one member may hold hearings.

14 “(F) A member of the Board shall be designated by
15 the President to serve as Chairperson of the Board for
16 a term of 4 years.

17 “(G) The Board shall meet at the call of the Chair-
18 person or two members of the Board.

19 “(2) Each member of the Board shall be compensated
20 at the rate provided for level II of the Executive Schedule.

21 “(3) The Board shall—

22 “(A) govern by regulation the old-age, survi-
23 vors, and disability insurance program under title II
24 and the supplemental security income program
25 under title XVI,

1 “(B) establish the Administration and oversee
2 its efficient and effective operation,

3 “(C) establish policy and devise long-term plans
4 to promote and maintain the effective implementa-
5 tion of programs referred to in subparagraph (A),

6 “(D) appoint an Executive Director of the Ad-
7 ministration, as described in subsection (b), to act as
8 the chief operating officer of the Administration re-
9 sponsible for administering the programs referred to
10 in subparagraph (A),

11 “(E) constitute three of the members of the
12 Board of Trustees of the Federal Old-Age and Sur-
13 vivors Insurance Trust Fund and the Federal Dis-
14 ability Insurance Trust Fund, with the Chairperson
15 of the Social Security Board serving as Chairperson
16 of such Board of Trustees,

17 “(F) prepare an annual budget for the Admin-
18 istration, which shall be submitted by the President
19 to the Congress without revision, together with the
20 President’s annual budget for the Administration,

21 “(G) study and make recommendations to the
22 Congress and the President as to the most effective
23 methods of providing economic security through so-
24 cial insurance, supplemental security income, and re-
25 lated programs and as to legislation and matters of

1 administrative policy concerning the programs re-
2 ferred to in subparagraph (A),

3 “(H) provide the Congress and the President
4 with the ongoing actuarial and other analysis under-
5 taken by the Administration with respect to the pro-
6 grams referred to in subparagraph (A) and any
7 other information relating to such programs, and

8 “(I) conduct policy analysis and research relat-
9 ing to the programs referred to in subparagraph
10 (A).

11 “(4)(A) The Board may prescribe such rules and reg-
12 ulations as the Board determines necessary or appropriate
13 to carry out the functions of the Administration. The reg-
14 ulations prescribed by the Board shall be subject to the
15 rulemaking procedures established under section 553 of
16 title 5, United States Code.

17 “(B) The Board may establish, alter, consolidate, or
18 discontinue such organizational units or components with-
19 in the Administration as the Board considers necessary
20 or appropriate to carry out its functions, except that this
21 subparagraph shall not apply with respect to any unit,
22 component, or position provided for by this Act.

23 “(C) The Board may, with respect to the administra-
24 tion of the old-age, survivors, and disability insurance pro-
25 gram under title II and the supplemental security income

1 program under title XVI, assign duties, and delegate, or
2 authorize successive redelegations of, authority to act and
3 to render decisions, to such officers and employees as the
4 Board may find necessary. Within the limitations of such
5 delegations, redelegations, or assignments, all official acts
6 and decisions of such officers and employees shall have
7 the same force and effect as though performed or rendered
8 by the Board.

9 “Executive Director

10 “(b)(1) There shall be in the Administration an Exec-
11 utive Director who shall be appointed by the Social Secu-
12 rity Board.

13 “(2)(A) The Executive Director shall be appointed
14 for a term of four years. An individual appointed to a term
15 of office as Executive Director after the commencement
16 of such term of office may serve under such appointment
17 only for the remainder of such term. An individual may,
18 at the request of the Chairperson of the Board, serve as
19 Executive Director after the expiration of his or her term
20 for not more than one year until his or her successor has
21 taken office. An individual may be appointed as Executive
22 Director for additional terms.

23 “(B) An individual may be removed from the office
24 of Executive Director before completion of his or her term
25 only for cause found by the Board.

1 “(3) The Executive Director shall be compensated at
2 the rate provided for level II of the Executive Schedule.

3 “(4) The Executive Director shall—

4 “(A) constitute the chief operating officer of the
5 Administration, responsible for administering, in ac-
6 cordance with applicable statutes and regulations,
7 the old-age, survivors, and disability insurance pro-
8 gram under title II and the supplemental security
9 income program under title XVI,

10 “(B) maintain an efficient and effective oper-
11 ational structure for the Administration,

12 “(C) implement the long-term plans of the
13 Board to promote and maintain the effective imple-
14 mentation of such programs,

15 “(D) report annually to the Board on program
16 costs under titles II and XVI, make annual budg-
17 etary recommendations to the Board for the ongoing
18 administrative costs of the Administration under this
19 Act, and defend the recommendations before the
20 Board,

21 “(E) advise the Board and the Congress on the
22 effect on the administration of such programs of
23 proposed legislative changes in such programs,

24 “(F) serve as Secretary of the Board of Trust-
25 ees of the Federal Old-Age and Survivors Insurance

1 Trust Fund and the Federal Disability Insurance
2 Trust Fund,

3 “(G) report in December of each year to the
4 Board for transmittal to the Congress concerning
5 the administrative endeavors and accomplishments
6 of the Administration, and

7 “(H) carry out such additional duties as are as-
8 signed by the Board from time to time.

9 Any reference to the Board in this Act or any other provi-
10 sion of law in connection with the exercise of a function
11 of the Board which is delegated to the Executive Director
12 pursuant to this section shall be considered a reference
13 to the Executive Director.

14 “Deputy Director of Social Security

15 “(c)(1) There shall be in the Office of the Executive
16 Director a Deputy Director, who shall be appointed by and
17 serve at the pleasure of the Executive Director.

18 “(2) The Deputy Director shall be compensated at
19 the rate provided for level III of the Executive Schedule.

20 “(3) The Deputy Director shall perform such duties
21 and exercise such powers as the Executive Director shall
22 from time to time assign or delegate. The Deputy Director
23 shall be Acting Executive Director of the Administration
24 during the absence or disability of the Executive Director
25 and, unless the Board designates another officer of the

1 Government as Acting Executive Director, in the event of
2 a vacancy in the office of the Executive Director.

3 “General Counsel

4 “(d)(1) There shall be in the Administration a Gen-
5 eral Counsel, who shall be appointed by and serve at the
6 pleasure of the Board. The General Counsel shall be the
7 principal legal officer in the Administration.

8 “(2) The General Counsel shall be compensated at
9 the rate provided for level IV of the Executive Schedule.

10 “Inspector General

11 “(e)(1) There shall be in the Administration an Office
12 of the Inspector General. Such Office shall be headed by
13 an Inspector General appointed in accordance with the In-
14 spector General Act of 1978.

15 “(2) The Inspector General shall be compensated at
16 the rate provided for level IV of the Executive Schedule.

17 “Beneficiary Ombudsman

18 “(f)(1) There shall be in the Administration an Office
19 of the Beneficiary Ombudsman, to be headed by a Bene-
20 ficiary Ombudsman appointed by the Board.

21 “(2)(A) The Beneficiary Ombudsman shall be ap-
22 pointed for a term of five years, except that the individual
23 first appointed to the Office of Beneficiary Ombudsman
24 shall be appointed for a term ending September 30, 2000.
25 An individual appointed to a term of office as Beneficiary

1 Ombudsman after the commencement of such term may
2 serve under such appointment only for the remainder of
3 such term. An individual may, at the request of the Chair-
4 person of the Board, serve as Beneficiary Ombudsman
5 after the expiration of his or her term for not more than
6 one year until his or her successor has taken office. An
7 individual may be appointed as Beneficiary Ombudsman
8 for additional terms.

9 “(B) An individual may be removed from the office
10 of Beneficiary Ombudsman before completion of his or her
11 term only for cause found by the Board.

12 “(3) The Beneficiary Ombudsman shall be com-
13 pensated at the rate provided for level V of the Executive
14 Schedule.

15 “(4) The duties of the Beneficiary Ombudsman are
16 as follows:

17 “(A) To represent within the Administration’s
18 decisionmaking process the interests and concerns of
19 beneficiaries under the old-age, survivors, and dis-
20 ability insurance program under title II and the sup-
21 plemental security income program under title XVI.

22 “(B) To review the Administration’s policies
23 and procedures for possible adverse effects on such
24 beneficiaries.

1 “(C) To recommend within the Administration’s
2 decisionmaking process changes in policies which
3 have caused problems for such beneficiaries.

4 “(D) To help resolve the problems under such
5 programs of individual beneficiaries in unusual or
6 difficult circumstances, as determined by the Admin-
7 istration.

8 “(E) To represent within the Administration’s
9 decisionmaking process the views of beneficiaries in
10 the design of forms and the issuance of instructions.

11 “(5) The Board shall assure that the Office of the
12 Beneficiary Ombudsman has staff sufficient to enable the
13 Beneficiary Ombudsman to efficiently carry out his or her
14 duties. Such staff shall be located in the regional offices,
15 program centers, and central office of the Administration.

16 “(6) The annual report of the Board under section
17 704 shall include a description of the activities of the Ben-
18 eficiary Ombudsman.

19 “Administrative Law Judge

20 “(g)(1) There shall be in the Administration an Of-
21 fice of the Chief Administrative Law Judge, who shall be
22 appointed by the Board. The duty of the Chief Adminis-
23 trative Law Judge shall be to administer the affairs of
24 the administrative law judges serving in the Administra-
25 tion in a manner so as to ensure that hearings and other

1 business are conducted by the administrative law judges
2 in accordance with applicable law and regulations.

3 “(2) The Chief Administrative Law Judge shall re-
4 port directly to the Board.”.

5 (b) CONFORMING AMENDMENTS RELATING TO COM-
6 POSITION OF BOARD OF TRUSTEES OF OASDI TRUST
7 FUNDS.—Section 201(c) of such Act (42 U.S.C. 401(c))
8 is amended—

9 (1) in the first sentence, by striking “shall be
10 composed of” and all that follows down through “ex
11 officio” and inserting the following: “shall be com-
12 posed of the members of the Social Security Board,
13 the Secretary of the Treasury, the Secretary of
14 Health and Human Services, all ex officio”;

15 (2) by inserting after the first sentence the fol-
16 lowing new sentence: “The Chairperson of the Social
17 Security Board shall be the Chairperson of the
18 Board of Trustees.”; and

19 (3) by striking “Commissioner of Social Secu-
20 rity” and inserting “Executive Director of the Social
21 Security Administration”.

22 (c) INTERIM AUTHORITY OF THE COMMISSIONER.—
23 The President shall nominate for appointment the initial
24 members of the Social Security Board not later than April
25 1, 1995. In the event that, as of October 1, 1995, all mem-

1 bers of the Social Security Board have not entered upon
 2 office, until all members of the Board have entered upon
 3 office, the officer serving on October 1, 1995, as Commis-
 4 sioner of Social Security in the Department of Health and
 5 Human Services (or Acting Commissioner, if applicable),
 6 or such officer's successor, shall, while continuing to serve
 7 as Commissioner of Social Security (or Acting Commis-
 8 sioner) in such Department, serve as head of the Social
 9 Security Administration established under section 701 of
 10 the Social Security Act (as amended by this Act) and shall
 11 assume the powers and duties of such Board and of the
 12 Executive Director under such Act (as amended by this
 13 Act).

14 **SEC. 103. PERSONNEL; BUDGETARY MATTERS; SEAL OF**
 15 **OFFICE.**

16 Section 703 of the Social Security Act (42 U.S.C.
 17 903) is amended to read as follows:

18 "ADMINISTRATIVE DUTIES OF THE SOCIAL SECURITY

19 BOARD

20 "Personnel

21 "SEC. 703. (a)(1) The Social Security Board shall
 22 appoint such additional officers and employees as it con-
 23 sider necessary to carry out its functions. Except as oth-
 24 erwise provided in any other provision of law, such officers
 25 and employees shall be appointed, and their compensation

1 shall be fixed, in accordance with title 5, United States
2 Code.

3 “(2) The Board may procure the services of experts
4 and consultants in accordance with the provisions of sec-
5 tion 3109 of title 5, United States Code.

6 “(3) The Director of the Office of Personnel Manage-
7 ment shall authorize for the Administration a total num-
8 ber of Senior Executive Service positions which is greater
9 than the number of such positions authorized in the Social
10 Security Administration in the Department of Health and
11 Human Services as of immediately before the date of the
12 enactment of the Social Security Administrative Reform
13 Act of 1994, to the extent that the greater number of such
14 authorized positions is specified in the comprehensive
15 workforce plan as established and revised by the Board
16 under subsection (b)(1). The total number of such posi-
17 tions authorized for the Administration pursuant to such
18 section 3133 shall not at any time be less than the number
19 of such authorized positions as of immediately before such
20 date.

21 “(4) In addition to the positions of the Administra-
22 tion in the Executive Schedule specified in section 702,
23 the Administration is authorized six additional positions
24 at level IV of the Executive Schedule and six additional
25 positions at level V of the Executive Schedule.

1 “Budgetary Matters

2 “(b) Appropriations requests for staffing and person-
3 nel of the Administration shall be based upon a com-
4 prehensive workforce plan, which shall be established and
5 revised from time to time by the Board.

6 “Seal of Office

7 “(c) The Board shall cause a seal of office to be made
8 for the Administration of such design as the Board shall
9 approve. Judicial notice shall be taken of such seal.”.

10 **SEC. 104. TRANSFERS TO THE NEW SOCIAL SECURITY**
11 **ADMINISTRATION.**

12 (a) FUNCTIONS.—There are transferred to the Social
13 Security Administration all functions carried out by the
14 Secretary of Health and Human Services with respect to
15 the programs and activities the administration of which
16 is vested in the Social Security Administration by reason
17 of this Act and the amendments made thereby. The Social
18 Security Board shall allocate such functions in accordance
19 with sections 701, 702, and 703 of the Social Security
20 Act (as amended by this Act).

21 (b) PERSONNEL, ASSETS, ETC.—(1) There are trans-
22 ferred from the Department of Health and Human Serv-
23 ices to the Social Security Administration, for appropriate
24 allocation by the Social Security Board in the Social Secu-
25 rity Administration—

1 (A) the personnel (other than administrative
2 law judges) employed in connection with the func-
3 tions transferred by this Act and the amendments
4 made thereby, as considered appropriate by the
5 Board in consultation with the Secretary of Health
6 and Human Services,

7 (B) such number of administrative law judges
8 as are necessary to carry out the functions trans-
9 ferred by this Act and the amendments made there-
10 by, as determined by the Board in consultation with
11 the Secretary of Health and Human Services, and

12 (C) the assets, liabilities, contracts, property,
13 records, and unexpended balance of appropriations,
14 authorizations, allocations, and other funds em-
15 ployed, held, or used in connection with such func-
16 tions, arising from such functions, or available, or to
17 be made available, in connection with such functions.

18 (2) Unexpended funds transferred pursuant to this
19 subsection shall be used only for the purposes for which
20 the funds were originally authorized and appropriated.

21 (3) The Secretary of Health and Human Services
22 shall terminate—

23 (A) six positions in the Department of Health
24 and Human Services placed in level IV of the Execu-
25 tive Schedule (or equivalent positions) other than po-

1 sitions specifically required under section 5315 of
2 title 5, United States Code, or any other provision
3 of law, and

4 (B) six positions in such Department placed in
5 level V of the Executive Schedule (or equivalent po-
6 sitions) other than positions specifically required
7 under section 5316 of such title or any other provi-
8 sion of law.

9 (4) The transfer pursuant to this section of full-time
10 personnel (except special Government employees) and
11 part-time personnel holding permanent positions shall not
12 cause any such employees to be separated or reduced in
13 grade or compensation for 1 year after such transfer or
14 October 1, 1995, whichever is later.

15 (c) ABOLISHMENT OF OFFICE OF COMMISSIONER IN
16 THE DEPARTMENT OF HEALTH AND HUMAN SERV-
17 ICES.—Effective upon the entry upon office of all initial
18 members of the Social Security Board pursuant to section
19 702 of the Social Security Act (as amended by this Act),
20 the position of Commissioner of Social Security in the De-
21 partment of Health and Human Services is abolished.

22 **SEC. 105. TRANSITIONAL RULES.**

23 (a) INTERIM AUTHORITY FOR APPOINTMENT AND
24 COMPENSATION.—At any time on or after the date of the
25 enactment of this Act—

1 (1) any of the officers provided for in section
2 702 of the Social Security Act (as amended by this
3 Act) may enter upon office, as provided in such sec-
4 tion, and

5 (2) the Social Security Board, upon entry upon
6 office of all of the members thereof, may prescribe
7 regulations providing for the orderly transfer of pro-
8 ceedings before the Secretary of Health and Human
9 Services to the Social Security Board.

10 Funds available to any official or component of the De-
11 partment of Health and Human Services, functions of
12 which are transferred to the Social Security Board or the
13 Social Security Administration by this Act, may be used,
14 with the approval of the Director of the Office of Manage-
15 ment and Budget, to pay the compensation and expenses
16 of any officer entering upon office pursuant to this section
17 until such time as funds for that purpose are otherwise
18 available.

19 (b) CONTINUATION OF ORDERS, DETERMINATIONS,
20 RULES, REGULATIONS, ETC.—All orders, determinations,
21 rules, regulations, permits, contracts, collective bargaining
22 agreements, recognitions of labor organizations, certifi-
23 cates, licenses, and privileges—

24 (1) which have been issued, made, promulgated,
25 granted, or allowed to become effective, in the exer-

1 cise of functions (A) which were exercised by the
2 Secretary of Health and Human Services (or his del-
3 egate), and (B) which relate to functions which, by
4 reason of this Act, the amendments made thereby,
5 and regulations prescribed thereunder, are vested in
6 the Social Security Board, and

7 (2) which are in effect immediately before Octo-
8 ber 1, 1995,

9 shall (to the extent that they relate to functions described
10 in paragraph (1)(B)) continue in effect according to their
11 terms until modified, terminated, suspended, set aside, or
12 repealed, in accordance with law, by such Board.

13 (c) CONTINUATION OF PROCEEDINGS.—The provi-
14 sions of this Act (including the amendments made there-
15 by) shall not affect any proceeding pending before the Sec-
16 retary of Health and Human Services immediately before
17 October 1, 1995, with respect to functions vested (by rea-
18 son of this Act, the amendments made thereby, and regu-
19 lations prescribed thereunder) in the Social Security
20 Board, except that such proceedings, to the extent that
21 they relate to such functions, shall continue before such
22 Board. Orders shall be issued under any such proceeding,
23 appeals taken therefrom, and payments shall be made pur-
24 suant to such orders, in like manner as if this Act had
25 not been enacted, and orders issued in any such proceed-

1 ing shall continue in effect until modified, terminated, su-
2 perseded, or repealed by such Board, by a court of com-
3 petent jurisdiction, or by operation of law.

4 (d) CONTINUATION OF SUITS.—Except as provided
5 in this subsection—

6 (1) the provisions of this Act shall not affect
7 suits commenced prior to October 1, 1995; and

8 (2) in all such suits proceedings shall be had,
9 appeals taken, and judgments rendered, in the same
10 manner and effect as if this Act had not been en-
11 acted. No cause of action, and no suit, action, or
12 other proceeding commenced by or against any offi-
13 cer in his official capacity as an officer of the De-
14 partment of Health and Human Services, shall abate
15 by reason of the enactment of this Act. Causes of
16 action, suits, actions, or other proceedings may be
17 asserted by or against the United States and the So-
18 cial Security Administration, or such official of such
19 Administration as may be appropriate, and, in any
20 litigation pending immediately before October 1,
21 1995, the court may at any time, on its own motion
22 or that of a party, enter an order which will give ef-
23 fect to the provisions of this subsection (including,
24 where appropriate, an order for substitution of par-
25 ties).

1 (e) CONTINUATION OF PENALTIES.—This Act shall
2 not have the effect of releasing or extinguishing any crimi-
3 nal prosecution, penalty, forfeiture, or liability incurred as
4 a result of any function which (by reason of this Act),
5 the amendments made thereby, and regulations prescribed
6 thereunder) is vested in the Social Security Board.

7 (f) JUDICIAL REVIEW.—Orders and actions of the
8 Social Security Board in the exercise of functions vested
9 in such Board under this Act (and the amendments made
10 thereby) shall be subject to judicial review to the same
11 extent and in the same manner as if such orders had been
12 made and such actions had been taken by the Secretary
13 of Health and Human Services in the exercise of such
14 functions immediately before October 1, 1995. Any statu-
15 tory requirements relating to notice, hearings, action upon
16 the record, or administrative review that apply to any
17 function so vested in such Board shall continue to apply
18 to the exercise of such function by such Board.

19 (g) EXERCISE OF FUNCTIONS.—In the exercise of the
20 functions vested in the Social Security Board under this
21 Act, the amendments made thereby, and regulations pre-
22 scribed thereunder, such Board shall have the same au-
23 thority as that vested in the Secretary of Health and
24 Human Services with respect to the exercise of such func-
25 tions immediately preceding the vesting of such functions

1 in such Board, and actions of such Board shall have the
2 same force and effect as when exercised by such Secretary.

3 (h) OPERATION OF TRANSITIONAL RULES IN THE
4 EVENT OF INTERIM AUTHORITY IN THE COMMIS-
5 SIONER.—For purposes of this section, in any case in
6 which the powers and duties to be transferred to the Social
7 Security Board are transferred to the Commissioner of So-
8 cial Security (or acting Commissioner) in the Department
9 of Health and Human Services for an interim period pur-
10 suant to section 102(c), the preceding provisions of this
11 section shall apply with respect to the transfer of such
12 powers and duties to and from such Commissioner (or act-
13 ing Commissioner) pursuant to section 102(c) in the same
14 manner and to the same extent as they would have applied
15 to a direct transfer from the Secretary of Health and
16 Human Services to the Social Security Board if all mem-
17 bers of the Board had entered upon office.

18 **SEC. 106. CONFORMING AMENDMENTS TO TITLES II AND**
19 **XVI OF THE SOCIAL SECURITY ACT.**

20 (a) IN GENERAL.—Title II of the Social Security Act
21 (other than section 201, section 218(d), section 226, sec-
22 tion 226A, and section 231(c)) and title XVI of such Act
23 are each amended—

1 (1) by striking, wherever it appears therein,
2 “Secretary of Health and Human Services” and in-
3 serting “Social Security Board”;

4 (2) by striking, wherever it appears therein,
5 “Department of Health and Human Services” and
6 inserting “Social Security Administration”;

7 (3) by striking, wherever it appears therein,
8 “Department” (but only if it is not immediately suc-
9 ceeded by the words “of Health and Human Serv-
10 ices”, and only if it is used in reference to the De-
11 partment of Health and Human Services) and in-
12 serting “Administration”;

13 (4) by striking, wherever it appears therein,
14 each of the following words (but, in the case of any
15 such word only if such word refers to the Secretary
16 of Health and Human Services): “Secretary”, “Sec-
17 retary’s”, “his”, “him”, and “he”, and inserting (in
18 the case of the word “Secretary”) “Social Security
19 Board”, (in the case of the word “Secretary’s”)
20 “Board’s”, (in the case of the word “his”) “the
21 Board’s”, (in the case of the word “him”) “the
22 Board”, and (in the case of the word “he”) “the
23 Board”; and

1 (5) by striking, wherever it appears therein,
2 “Internal Revenue Code of 1954” and inserting “In-
3 ternal Revenue Code of 1986”.

4 (b) AMENDMENTS TO SECTION 218.—Section 218(d)
5 of such Act (42 U.S.C. 418(d)) is amended by striking
6 “Secretary” each place it appears in paragraphs (3) and
7 (7) and inserting “Social Security Board”.

8 (c) AMENDMENTS TO SECTION 222.—Section 222(d)
9 of such Act (42 U.S.C. 422(d)) is amended—

10 (1) in the last sentence of paragraph (1), by
11 striking “Commissioner of Social Security” and in-
12 serting “Executive Director of the Social Security
13 Administration”; and

14 (2) in the first sentence of paragraph (2), by
15 striking “Commissioner of Social Security” and in-
16 serting “Executive Director of the Social Security
17 Administration”.

18 (d) AMENDMENT TO SECTION 231.—Section 231(c)
19 of such Act (42 U.S.C. 431(c)) is amended by striking
20 “Secretary determines” and inserting “Social Security
21 Board and the Secretary jointly determine”.

22 (e) AMENDMENT TO SECTION 1615.—Section
23 1615(d) of such Act (42 U.S.C. 1832d(d)) is amended
24 by striking “Commissioner of Social Security” and insert-

1 ing “Executive Director of the Social Security Administra-
2 tion”.

3 **SEC. 107. OTHER CONFORMING AMENDMENTS.**

4 Title VII of the Social Security Act is amended—

5 (1) by striking section 704 (42 U.S.C. 904) and
6 inserting the following new section:

7 “REPORTS

8 “SEC. 704. The Secretary and the Social Security
9 Board shall make full reports to Congress, within 120
10 days after the beginning of each regular session, of the
11 administration of the functions with which they are
12 charged under this Act. In addition to the number of cop-
13 ies of such reports authorized by other law to be printed,
14 there is hereby authorized to be printed not more than
15 5,000 copies of each such report for use by the Secretary
16 and Social Security Board for distribution to Members of
17 Congress and to State and other public or private agencies
18 or organizations participating in or concerned with the
19 programs provided for in this Act.”;

20 (2) in section 709(b)(2) (42 U.S.C. 910(b)(2)),
21 by striking “(as estimated by the Secretary)” and
22 inserting “, as estimated by the Social Security
23 Board or the Secretary (whichever administers the
24 program involved),”; and

25 (3) by adding at the end thereof the following
26 new section:

1 “DUTIES AND AUTHORITY OF SECRETARY

2 “SEC. 712. (a) The Secretary shall perform the du-
3 ties imposed upon him by this Act and shall also have the
4 duty of studying and making recommendations as to the
5 most effective methods of providing economic security and
6 as to legislation and matters of administrative policy con-
7 cerning the programs administered by the Secretary and
8 related subjects; except that nothing in this section shall
9 be construed to require the Secretary to make studies or
10 recommendations with respect to programs administered
11 by the Social Security Administration.

12 “(b) The Secretary is authorized to appoint and fix
13 the compensation of such officers and employees, and to
14 make such expenditures, as may be necessary for carrying
15 out the Secretary’s functions under this Act. Appoint-
16 ments of attorneys and experts may be made without re-
17 gard to the civil service laws.”.

18 **SEC. 108. RULES OF CONSTRUCTION.**

19 (a) REFERENCES TO THE DEPARTMENT OF HEALTH
20 AND HUMAN SERVICES.—Whenever any reference is made
21 in any provision of law (other than this Act or a provision
22 of law amended by this Act), regulation, rule, record, court
23 order, or other document to the Department of Health and
24 Human Services with respect to such Department’s func-
25 tions under the old-age, survivors, and disability insurance

1 program under title II of the Social Security Act or the
2 supplemental security income program under title XVI of
3 such Act, such reference shall be considered a reference
4 to the Social Security Administration.

5 (b) REFERENCES TO THE SECRETARY OF HEALTH
6 AND HUMAN SERVICES.—Whenever any reference is made
7 in any provision of law (other than this Act or a provision
8 of law amended by this Act), regulation, rule, record, court
9 order, or other document to the Secretary of Health and
10 Human Services with respect to such Secretary's functions
11 under such programs, such reference shall be considered
12 a reference to the Social Security Board.

13 (c) REFERENCES TO OTHER OFFICERS AND EM-
14 PLOYEES.—Whenever any reference is made in any provi-
15 sion of law (other than this Act or a provision of law
16 amended by this Act), regulation, rule, record, or docu-
17 ment to any other officer or employee of the Department
18 of Health and Human Services with respect to such offi-
19 cer's or employee's functions under such programs, such
20 reference shall be considered a reference to the appro-
21 priate officer or employee of the Social Security Adminis-
22 tration.

1 **SEC. 109. EFFECTIVE DATES.**

2 (a) IN GENERAL.—Sections 101, 102(a), 103, 104,
3 106, 107, and 108 of this Act (and the amendments made
4 thereby) shall take effect October 1, 1995.

5 (b) EXCEPTIONS.—Section 102(b) of this Act shall
6 take effect upon the entry upon office of all initial mem-
7 bers of the Social Security Board. Sections 102(c) and
8 105 of this Act shall take effect on the date of the enact-
9 ment of this Act.

10 (c) NEW SPENDING AUTHORITY.—Any new spending
11 authority provided by this title shall be effective for any
12 fiscal year only to such extent or in such amounts as are
13 provided in advance in appropriation Acts.

14 **TITLE II—IMPROVEMENTS TO**
15 **THE OLD-AGE, SURVIVORS,**
16 **AND DISABILITY INSURANCE**
17 **PROGRAM**

18 **SEC. 201. RESTRICTIONS ON PAYMENT OF BENEFITS BASED**
19 **ON DISABILITY TO SUBSTANCE ABUSERS.**

20 (a) AMENDMENTS RELATING TO BENEFITS BASED
21 ON DISABILITY UNDER TITLE II OF THE SOCIAL SECUR-
22 ITY ACT.—

23 (1) REQUIRED PAYMENT OF BENEFITS TO REP-
24 RESENTATIVE PAYEES.—

1 (A) IN GENERAL.—Section 205(j)(1) of
2 the Social Security Act (42 U.S.C. 405(j)(1)) is
3 amended—

4 (i) by inserting after the first sentence
5 the following new sentence: “In the case of
6 an individual entitled to benefits based on
7 disability, if alcoholism or drug addiction is
8 a contributing factor material to the Sec-
9 retary’s determination that the individual
10 is under a disability, certification of pay-
11 ment of such benefits to a representative
12 payee shall be deemed to serve the interest
13 of such individual under this title.”; and

14 (ii) in the last sentence, by inserting
15 “, if the interest of the individual under
16 this title would be served thereby,” after
17 “alternative representative payee or”.

18 (B) EFFECTIVE DATE.—The amendments
19 made by subparagraph (A) shall apply with re-
20 spect to benefits for months beginning after
21 180 days after the date of the enactment of this
22 Act.

23 (C) STUDY REGARDING FEASIBILITY,
24 COST, AND EQUITY OF REQUIRING REPRESENT-
25 ATIVE PAYEES FOR ALL DISABILITY BENE-

1 FICIARIES SUFFERING FROM ALCOHOLISM OR
2 DRUG ADDICTION.—

3 (i) STUDY.—As soon as practicable
4 after the date of the enactment of this Act,
5 the Secretary of Health and Human Serv-
6 ices shall conduct a study of the represent-
7 ative payee program. In such study, the
8 Secretary shall examine—

9 (I) the feasibility, cost, and eq-
10 uity of requiring representative payees
11 for all individuals entitled to benefits
12 based on disability under title II or
13 XVI of the Social Security Act who
14 suffer from alcoholism or drug addic-
15 tion, irrespective of whether the alco-
16 holism or drug addiction was material
17 in any case to the Secretary's deter-
18 mination of disability,

19 (II) the feasibility of and appro-
20 priate timetable for providing benefits
21 through non-cash means, including
22 (but not limited to) vouchers, debit
23 cards, and electronic benefits transfer
24 systems,

1 (III) the extent to which child
2 beneficiaries are afflicted by drug ad-
3 dition or alcoholism and ways of ad-
4 dressing such affliction, including the
5 feasibility of requiring treatment, and

6 (IV) the extent to which chil-
7 dren's representative payees are af-
8 flicted by drug addiction or alcohol-
9 ism, and methods to identify chil-
10 dren's representative payees afflicted
11 by drug addition or alcoholism and to
12 ensure that benefits continue to be
13 provided to beneficiaries appro-
14 priately.

15 (ii) REPORT.—Not later than April 1,
16 1995, the Secretary shall transmit to the
17 Committee on Ways and Means of the
18 House of Representatives and the Commit-
19 tee on Finance of the Senate a report set-
20 ting forth the findings of the Secretary
21 based on such Study. Such report shall in-
22 clude such recommendations for adminis-
23 trative or legislative changes as the Sec-
24 retary considers appropriate.

1 (2) INCREASED RELIANCE ON PROFESSIONAL
2 REPRESENTATIVE PAYEES.—

3 (A) PREFERENCE REQUIRED FOR ORGANI-
4 ZATIONAL REPRESENTATIVE PAYEES.—Section
5 205(j)(2)(C) of such Act (42 U.S.C.
6 405(j)(2)(C)) is amended by adding at the end
7 the following new clause:

8 “(v) In the case of an individual entitled to benefits
9 based on disability, if alcoholism or drug addiction is a
10 contributing factor material to the Secretary’s determina-
11 tion that the individual is under a disability, when select-
12 ing such individual’s representative payee, preference shall
13 be given to—

14 “(I) a community-based nonprofit social service
15 agency licensed or bonded by the State,

16 “(II) a State or local government agency whose
17 mission is to carry out income maintenance, social
18 service, or health care-related activities, or

19 “(III) a State or local government agency with
20 fiduciary responsibilities,

21 (or a designee of such an agency if the Secretary deems
22 it appropriate), unless the Secretary determines that selec-
23 tion of such an agency would not be appropriate.”.

24 (B) AVAILABILITY OF PUBLIC AGENCIES
25 AND OTHER QUALIFIED ORGANIZATIONS TO

1 SERVE AS REPRESENTATIVE PAYEES.—Section
2 205(j)(4) of such Act (42 U.S.C. 405(j)(4)) is
3 amended—

4 (i) in subparagraph (A)—

5 (I) by striking “exceed the lesser
6 of—” and inserting “exceed—”; and

7 (II) by striking clauses (i) and
8 (ii) and inserting the following:

9 “(i) in any case in which an individual
10 is entitled to benefits based on disability
11 and alcoholism or drug addiction is a con-
12 tributing factor material to the Secretary’s
13 determination that the individual is under
14 a disability, 10 percent of the monthly ben-
15 efit involved, or

16 “(ii) in any other case, the lesser of—

17 “(I) 10 percent of the monthly
18 benefit involved, or

19 “(II) \$25.00 per month.”;

20 (ii) in subparagraph (B)—

21 (I) by inserting “State or local
22 government agency whose mission is
23 to carry out income maintenance, so-
24 cial service, or health care-related ac-
25 tivities, any State or local government

1 agency with fiduciary responsibilities,
2 or any” after “means any”;

3 (II) by striking “representative
4 payee and which,” and inserting “rep-
5 resentative payee, if such agency,”;

6 (III) by striking “, and” at the
7 end of clause (ii) and inserting a pe-
8 riod; and

9 (IV) by striking clause (iii); and

10 (iii) by striking subparagraph (D), ef-
11 fective July 1, 1994.

12 (C) DEFINITION.—Section 205(j) of such
13 Act (42 U.S.C. 405(j)) is amended by adding at
14 the end the following new paragraph:

15 “(7) For purposes of this subsection, the term ‘bene-
16 fit based on disability’ of an individual means a disability
17 insurance benefit of such individual under section 223 or
18 a child’s, widow’s, or widower’s insurance benefit of such
19 individual under section 202 based on such individual’s
20 disability.”.

21 (3) NONPAYMENT OR TERMINATION OF BENE-
22 FITS.—

23 (A) IN GENERAL.—Section 225 of such
24 Act (42 U.S.C. 425) is amended—

1 (i) by striking the heading and insert-
2 ing the following:

3 “ADDITIONAL RULES RELATING TO BENEFITS BASED ON
4 DISABILITY

5 “Suspension of Benefits”;

6 (ii) by inserting before subsection (b)
7 the following new heading:

8 “Continued Payments During Rehabilitation Program”;
9 and

10 (iii) by adding at the end the follow-
11 ing new subsection:

12 “Nonpayment or Termination of Benefits Where
13 Entitlement Involves Alcoholism or Drug Addiction

14 “(c)(1)(A) Notwithstanding any other provision of
15 this title, in the case of any individual entitled to benefits
16 based on disability, if alcoholism or drug addiction is a
17 contributing factor material to the Secretary’s determina-
18 tion that such individual is under a disability and such
19 individual is determined by the Secretary not to be in com-
20 pliance with the requirements of this subsection for a
21 month, such benefits shall be suspended for a period com-
22 mencing with such month and ending with the month pre-
23 ceding the first month, after the determination of non-
24 compliance, in which such individual demonstrates that he
25 or she has reestablished and maintained compliance with

1 such requirements for the applicable period specified in
2 paragraph (3).

3 “(B) For purposes of this subsection, in the case of
4 an individual who is entitled to benefits based on disability
5 for the first month ending after 180 days after the date
6 of the enactment of the Social Security Administrative Re-
7 form Act of 1994, if such individual has a primary diag-
8 nosis of alcoholism or drug addiction, such alcoholism or
9 drug addiction shall be treated as a contributing factor
10 material to the Secretary’s determination of disability.

11 “(2)(A) An individual described in paragraph (1) is
12 in compliance with the requirements of this subsection for
13 a month if such individual in such month undergoes any
14 medical or psychological treatment that may be appro-
15 priate, for such individual’s condition diagnosed as sub-
16 stance abuse or alcohol abuse and for the stage of such
17 individual’s rehabilitation, at an institution or facility ap-
18 proved for purposes of this subsection by the Secretary,
19 and complies in such month with the terms, conditions,
20 and requirements of such treatment and with require-
21 ments imposed by the Secretary under paragraph (6).

22 “(B) An individual described in paragraph (1) shall
23 not be determined to be not in compliance with the re-
24 quirements of this subsection for a month if access by such
25 individual to such treatment is not reasonably available

1 for that month, as determined under regulations of the
2 Secretary.

3 “(3) The applicable period specified in this paragraph
4 is—

5 “(A) 2 consecutive months, in the case of a
6 first determination that an individual is not in com-
7 pliance with the requirements of this subsection,

8 “(B) 3 consecutive months, in the case of the
9 second such determination with respect to the indi-
10 vidual, and

11 “(C) 6 consecutive months, in the case of the
12 third or subsequent such determination with respect
13 to the individual.

14 “(4) In any case in which an individual’s benefit is
15 suspended for a period of 12 consecutive months for fail-
16 ure to comply with treatment described in paragraph (2)
17 of this subsection, the month following such period shall
18 be deemed, for purposes of section 223(a)(1) or subsection
19 (d)(1)(G)(i), (e)(1), or (f)(1) of section 202 (as applica-
20 ble), as the termination month with respect to such entitle-
21 ment.

22 “(5)(A) Subject to subparagraph (B), monthly insur-
23 ance benefits under this title which would be payable to
24 any individual (other than the disabled individual to whom
25 benefits are not payable by reason of this subsection) on

1 the basis of the wages and self-employment income of such
2 disabled individual but for the provisions of paragraph (1)
3 or (4), shall be payable as though such disabled individual
4 were receiving such benefits which are not payable under
5 this subsection (and, in the case of a disabled individual
6 whose entitlement is terminated under paragraph (4), as
7 though such disabled individual's entitlement were not ter-
8 minated).

9 “(B) If the monthly insurance benefits of a disabled
10 individual referred to in subparagraph (A) are not payable
11 by reason of termination of entitlement under paragraph
12 (4), monthly insurance benefits which are payable to any
13 other individual on the basis of the wages and self-employ-
14 ment income of such disabled individual pursuant to sub-
15 paragraph (A) shall not be payable for any month after
16 2 years after the last month of such entitlement.

17 “(6)(A) The Secretary shall provide for the monitor-
18 ing and testing of all individuals who are receiving benefits
19 under this title and who as a condition of payment of such
20 benefits are required to be undergoing treatment and com-
21 plying with the terms, conditions, and requirements there-
22 of as described in paragraph (2)(A), in order to assure
23 such compliance and to determine the extent to which the
24 imposition of such requirements is contributing to the
25 achievement of the purposes of this title. The Secretary

1 shall annually submit to the Congress a full and complete
2 report on the Secretary's activities under this paragraph.
3 Each such annual report shall include the number and
4 percentage of such individuals who did not receive regular
5 drug testing during the year covered by the report.

6 “(B) The Secretary, in consultation with drug and
7 alcohol treatment professionals, shall issue regulations—

8 “(i) defining appropriate treatment for alcohol-
9 ics and drug addicts who are subject to required
10 medical or psychological treatment under this sub-
11 section, and

12 “(ii) establishing guidelines to be used to review
13 and evaluate their compliance, including measures of
14 the progress of participants in such programs.

15 “(C)(i) For purposes of carrying out the require-
16 ments of subparagraphs (A) and (B), the Secretary shall
17 establish in each State a referral and monitoring agency
18 for such State.

19 “(ii) Each referral and monitoring agency for a State
20 shall—

21 “(I) identify appropriate placements, for indi-
22 viduals residing in such State who are entitled to
23 benefits based on disability and with respect to
24 whom alcoholism or drug addiction is a contributing
25 factor material to the Secretary's determination that

1 they are under a disability, where they may obtain
2 treatment described in paragraph (2)(A),

3 “(II) refer such individuals to such placements
4 for such treatment, and

5 “(III) monitor compliance with the require-
6 ments of paragraph (2)(A) by individuals who are
7 referred by the agency to such placements and
8 promptly report failures to comply to the Secretary.

9 “(7) In the case of any individual who is entitled to
10 a benefit based on disability for any month, if alcoholism
11 or drug addiction is a contributing factor material to the
12 Secretary’s determination that the individual is under a
13 disability, payment of any past-due monthly insurance
14 benefits under this title to which such individual is entitled
15 shall be made in any month only to the extent that the
16 sum of—

17 “(A) the amount of such past-due benefit paid
18 in such month, and

19 “(B) the amount of any benefit for the preced-
20 ing month under such current entitlement which is
21 payable in such month,

22 does not exceed 200 percent of the amount of such benefit
23 for the preceding month.

24 “(8) In the case of any individual entitled to benefits
25 based on disability, if alcoholism or drug addiction is a

1 contributing factor material to the Secretary's determina-
2 tion that such individual is under a disability, the month
3 following the 36-month period beginning with such indi-
4 vidual's first month of entitlement shall be deemed, for
5 purposes of section 223(a)(1) or subsection (d)(1)(G)(i),
6 (e)(1), or (f)(1) of section 202 (as applicable), as the ter-
7 mination month with respect to such entitlement, and such
8 individual shall be deemed not to be entitled to any past-
9 due benefits under such entitlement remaining unpaid as
10 of the end of such 36-month period. Such individual may
11 not be entitled to benefits based on disability for any
12 month after such 36-month period if, with respect to such
13 entitlement, alcoholism or drug addition is a contributing
14 factor material to the Secretary's determination that such
15 individual is under a disability.

16 “(9) For purposes of this subsection, the term ‘bene-
17 fit based on disability’ of an individual means a disability
18 insurance benefit of such individual under section 223 or
19 a child's, widow's, or widower's insurance benefit of such
20 individual under section 202 based on the disability of
21 such individual.”.

22 (B) PRESERVATION OF MEDICARE BENE-
23 FITS.—Section 226 of such Act (42 U.S.C.
24 426) is amended by adding at the end the fol-
25 lowing:

1 “(i) For purposes of this section, each person whose
2 benefit for any month is not payable by reason of para-
3 graph (1) of section 225(c) (and is not terminated by rea-
4 son of paragraph (4) or (8) of section 225(c)) shall be
5 treated as entitled to such benefit for such month if such
6 person would be entitled to such benefit for such month
7 in the absence of such section.”.paragraph (other than
8 paragraphs (6)(C) and (8) of section 225(c) of the Social
9 Security Act added by this paragraph) shall apply with
10 respect to benefits based on disability (as defined in sec-
11 tion 225(c)(9) of the Social Security Act, added by this
12 section) of individuals becoming entitled to such benefits
13 for months beginning after 180 days after the date of the
14 enactment of this Act. Section 225(c)(6)(C) of the Social
15 Security Act shall take effect 180 days after the date of
16 the enactment of this Act. Section 225(c)(8) of the Social
17 Security Act (added by this section) shall apply with re-
18 spect to benefits for months ending after 180 days after
19 the date of the enactment of this Act, and, for purposes
20 of such section 225(c)(8), in the case of any individual
21 entitled to benefits based on disability (as so defined) for
22 the first month ending after 180 days after the date of
23 the enactment of this Act, such month shall be treated
24 as such individual’s first month of entitlement to such
25 benefits.”

1 (4) IRRELEVANCE OF LEGALITY OF SERVICES
2 PERFORMED IN DETERMINING SUBSTANTIAL GAIN-
3 FUL ACTIVITY.—

4 (A) IN GENERAL.—Section 223(d)(4) of
5 such Act (42 U.S.C. 423(d)(4)) is amended—

6 (i) by inserting “(A)” after “(4)”; and

7 (ii) by adding at the end the following
8 new subparagraph:

9 “(B) In determining under subparagraph (A) when
10 services performed or earnings derived from services dem-
11 onstrate an individual’s ability to engage in substantial
12 gainful activity, the Secretary apply the criteria described
13 in subparagraph (A) with respect to services performed
14 by any individual without regard to the legality of such
15 services.”.

16 (B) EFFECTIVE DATE.—The amendments
17 made by this paragraph shall take effect on the
18 date of the enactment of this Act.

19 (b) AMENDMENTS RELATING TO SUPPLEMENTAL SE-
20 CURITY INCOME BENEFITS UNDER TITLE XVI OF THE
21 SOCIAL SECURITY ACT.—

22 (1) REQUIRED PAYMENT OF BENEFITS TO REP-
23 RESENTATIVE PAYEES.—

1 (A) IN GENERAL.—Section 1631(a)(2)(A)
2 of the Social Security Act (42 U.S.C.
3 1383(a)(2)(A)) is amended—

4 (i) in clause (ii), by adding at the end
5 the following: “In the case of an individual
6 entitled to benefits under this title by rea-
7 son of disability, if alcoholism or drug ad-
8 diction is a contributing factor material to
9 the Secretary’s determination that the in-
10 dividual is disabled, the payment of such
11 benefits to a representative payee shall be
12 deemed to serve the interest of such indi-
13 vidual under this title.”; and

14 (ii) in clause (iii), by striking “to the
15 individual or eligible spouse or to an alter-
16 native representative payee of the individ-
17 ual or eligible spouse” and inserting “to an
18 alternative representative payee of the indi-
19 vidual or eligible spouse or, if the interest
20 of the individual under this title would be
21 served thereby, to the individual or eligible
22 spouse”.

23 (B) CONFORMING AMENDMENT.—Section
24 1631(a)(2)(B)(viii)(II) of such Act (42 U.S.C.
25 1383(a)(2)(B)(viii)(II)) is amended by striking

1 “15 years” and all that follows and inserting
2 “of 15 years, or (if alcoholism or drug addiction
3 is a contributing factor material to the Sec-
4 retary’s determination that the individual is dis-
5 abled) is entitled to benefits under this title by
6 reason of disability.”.

7 (C) EFFECTIVE DATE.—The amendments
8 made by subparagraphs (A) and (B) shall apply
9 with respect to benefits for months beginning
10 after 180 days after the date of the enactment
11 of this Act.

12 (2) INCREASED RELIANCE ON PROFESSIONAL
13 REPRESENTATIVE PAYEES.—

14 (A) PREFERENCE REQUIRED FOR ORGANI-
15 ZATIONAL REPRESENTATIVE PAYEES.—Section
16 1631(a)(2)(B) of such Act (42 U.S.C.
17 1383(a)(2)(B)) is amended—

18 (i) by redesignating clauses (vii)
19 through (xii) as clauses (viii) through
20 (xiii), respectively;

21 (ii) by inserting after clause (vi) the
22 following:

23 “(vii) In the case of an individual entitled to benefits
24 under this title by reason of disability, if alcoholism or
25 drug addiction is a contributing factor material to the Sec-

1 retary's determination that the individual is disabled,
2 when selecting such individual's representative payee,
3 preference shall be given to—

4 “(I) a community-based nonprofit social service
5 agency licensed or bonded by the State;

6 “(II) a State or local government agency whose
7 mission is to carry out income maintenance, social
8 service, or health care-related activities; or

9 “(III) a State or local government agency with
10 fiduciary responsibilities,

11 (or a designee of such an agency if the Secretary deems
12 it appropriate), unless the Secretary determines that selec-
13 tion of such an agency would not be appropriate.”;

14 (iii) in clause (viii) (as so redesign-
15 nated), by striking “clause (viii)” and in-
16 serting “clause (ix)”;

17 (iv) in clause (ix) (as so redesignated),
18 by striking “(vii)” and inserting “(viii)”;

19 (v) in clause (xiii) (as so redesign-
20 nated)—

21 (I) by striking “(xi)” and insert-
22 ing “(xii)”;

23 (II) by striking “(x)” and insert-
24 ing “(xi)”.

1 (B) AVAILABILITY OF PUBLIC AGENCIES
2 AND OTHER QUALIFIED ORGANIZATIONS TO
3 SERVE AS REPRESENTATIVE PAYEES.—Section
4 1631(a)(2)(D) of such Act (42 U.S.C.
5 1383(a)(2)(D)) is amended—

6 (i) in clause (i)—

7 (I) by striking “exceed the lesser
8 of—” and inserting “exceed—”; and

9 (II) by striking subclauses (I)
10 and (II) and inserting the following:

11 “(I) in any case in which an individual is enti-
12 tled to benefits under this title by reason of disabil-
13 ity and alcoholism or drug addiction is a contribut-
14 ing factor material to the Secretary’s determination
15 that the individual is disabled, 10 percent of the
16 monthly benefit involved, or

17 “(II) in any other case, the lesser of—

18 “(aa) 10 percent of the monthly benefit in-
19 volved, or

20 “(bb) \$25.00 per month.”;

21 (ii) in clause (ii)—

22 (I) by inserting “State or local
23 government agency whose mission is
24 to carry out income maintenance, so-
25 cial service, or health care-related ac-

1 tivities, any State or local government
 2 agency with fiduciary responsibilities,
 3 or any” after “means any”;

4 (II) by inserting a comma after
 5 “service agency”;

6 (III) by adding “and” at the end
 7 of subclause (I); and

8 (IV) in subclause (II)—

9 (aa) by adding “and” at the
 10 end of item (aa);

11 (bb) by striking “; and” at
 12 the end of item (bb) and insert-
 13 ing a period; and

14 (cc) by striking item (cc);
 15 and

16 (iii) by striking clause (iv), effective
 17 July 1, 1994.

18 (3) NONPAYMENT OR TERMINATION OF BENE-
 19 FITS.—

20 (A) IN GENERAL.—Section 1611(e)(3) of
 21 such Act (42 U.S.C. 1382(e)(3)), is amended
 22 by redesignating subparagraph (B) as subpara-
 23 graph (C) and by inserting after subparagraph
 24 (A) the following:

1 “(B)(i) Notwithstanding any other provision of this
2 title, in the case of any individual entitled to benefits
3 under this title solely by reason of disability, if alcoholism
4 or drug addiction is a contributing factor material to the
5 Secretary’s determination that such individual is disabled
6 and such individual is determined by the Secretary not
7 to be in compliance with the requirements of this subpara-
8 graph for a month, such benefits shall be suspended for
9 a period commencing with such month and ending with
10 the month preceding the first month, after the determina-
11 tion of noncompliance, in which such individual dem-
12 onstrates that he or she has reestablished and maintained
13 compliance with such requirements for the applicable pe-
14 riod specified in clause (iii).

15 “(ii)(I) An individual described in clause (i) is in com-
16 pliance with the requirements of this subparagraph for a
17 month if the individual in such month undergoes any med-
18 ical or psychological treatment that may be appropriate,
19 for the individual’s condition diagnosed as substance
20 abuse or alcohol abuse and for the stage of the individual’s
21 rehabilitation, at an institution or facility approved for
22 purposes of this subparagraph by the Secretary, and com-
23 plies in such month with the terms, conditions, and re-
24 quirements of such treatment and with requirements im-
25 posed by the Secretary under subparagraph (C).

1 “(II) An individual described in clause (i) shall not
2 be determined to be not in compliance with the require-
3 ments of this subparagraph for a month if access by such
4 individual to such treatment is not reasonably available
5 for the month, as determined under regulations of the Sec-
6 retary.

7 “(iii) The applicable period specified in this clause
8 is—

9 “(I) 2 consecutive months, in the case of a 1st
10 determination that an individual is not in compliance
11 with the requirements of this subparagraph;

12 “(II) 3 consecutive months, in the case of the
13 2nd such determination with respect to the individ-
14 ual; or

15 “(III) 6 consecutive months, in the case of the
16 3rd or subsequent such determination with respect
17 to the individual.

18 “(iv) An individual shall not be an eligible individual
19 for purposes of this title for the 12-month period that be-
20 gins with the end of any period of 12 consecutive months
21 for which the benefits of the individual under this title
22 have been suspended by reason of this subparagraph.

23 “(v) In the case of any individual entitled to benefits
24 under this title by reason of disability, if alcoholism or
25 drug addiction is a contributing factor material to the Sec-

1 retary's determination that such individual is disabled,
2 such individual may not be entitled to such benefits by
3 reason of disability (or any past-due benefits under such
4 entitlement) for any month after the 36-month period be-
5 ginning with such individual's first month of such entitle-
6 ment, notwithstanding section 1619(a).

7 “(vi)(I) The Secretary shall not, in a month, pay to
8 an individual described in clause (i) benefits under this
9 title the payment of which is past due, in an amount that
10 exceeds the amount of benefits under this title which are
11 payable to the individual for the month and the payment
12 of which is not past due.

13 “(II) As used in subclause (I) of this clause, the term
14 ‘benefits under this title’ includes supplementary pay-
15 ments of the type described in section 1616(a) and pay-
16 ments pursuant to an agreement entered into under sec-
17 tion 212(a) of Public Law 93–66.”.

18 (B) REFERRAL, MONITORING, AND TREAT-
19 MENT.—Section 1611(e)(3)(C) of such Act (42
20 U.S.C. 1382(e)(3)(C)), as so designated by the
21 amendment made by subparagraph (A) of this
22 paragraph, is amended—

23 (i) by adding at the end the following:
24 “Each such annual report shall include the
25 number and percentage of such individuals

1 who did not receive regular drug testing
2 during the year covered by the report.”;

3 (ii) by inserting “(i)” after “(C)”;

4 (iii) by adding after and below the end
5 following:

6 “(ii) The Secretary, in consultation with drug and al-
7 cohol treatment professionals, shall issue regulations—

8 “(I) defining appropriate treatment for alcohol-
9 ics and drug addicts who are subject to required
10 medical or psychological treatment under this sub-
11 paragraph; and

12 “(II) establishing guidelines to be used to re-
13 view and evaluate their compliance, including meas-
14 ures of the progress of participants in such pro-
15 grams.

16 “(iii)(I) For purposes of carrying out the require-
17 ments of clauses (i) and (ii), the Secretary shall establish
18 in each State a referral and monitoring agency for the
19 State.

20 “(II) Each referral and monitoring agency for a State
21 shall—

22 “(aa) identify appropriate placements, for indi-
23 viduals residing in the State who are entitled to ben-
24 efits under this title by reason of disability and with
25 respect to whom alcoholism or drug addiction is a

1 contributing factor material to the Secretary's deter-
2 mination that they are disabled, where they may ob-
3 tain treatment described in subparagraph (B)(ii)(I);

4 “(bb) refer such individuals to such placements
5 for such treatment; and

6 “(cc) monitor compliance with the requirements
7 of subparagraph (B) by individuals who are referred
8 by the agency to such placements, and promptly re-
9 port to the Secretary any failure to comply with
10 such requirements.”.

11 (C) PRESERVATION OF MEDICAID BENE-
12 FITS.—Section 1634 of such Act (42 U.S.C.
13 13283c) is amended by adding at the end the
14 following:

15 “(e) Each person to whom benefits under this title
16 by reason of disability are not payable for any month sole-
17 ly by reason of section 1611(e)(3)(B) shall be treated, for
18 purposes of title XIX, as receiving benefits under this title
19 for such month.”.

20 (D) CONFORMING AMENDMENTS.—Section
21 1611(e)(3) of such Act (42 U.S.C. 1382(e)(3)),
22 as amended by subparagraphs (A) and (B) of
23 this paragraph, is amended—

24 (i) in subparagraph (A), by striking
25 “(B)” and inserting “(C)”; and

1 (ii) in subparagraph (C), by inserting
2 “or (B)” after “(A)”.

3 (E) EFFECTIVE DATE.—

4 (i) IN GENERAL.—Except as provided
5 in clauses (ii) and (iii), the amendments
6 made by this paragraph shall apply with
7 respect to benefits for months beginning
8 after 180 days after the date of the enact-
9 ment of this Act.

10 (ii) TIME LIMITATION ON BENE-
11 FITS.—Section 1611(e)(3)(B)(v) of the So-
12 cial Security Act (as added by the amend-
13 ment made by subparagraph (A) of this
14 paragraph) shall apply with respect to ben-
15 efits for months ending after 180 days
16 after the date of the enactment of this Act,
17 and, for purposes of such section, in the
18 case of any individual entitled to benefits
19 by reason of disability for the first month
20 ending after 180 days after the date of the
21 enactment of this Act, such month shall be
22 treated as such individual’s first month of
23 entitlement to such benefits.

24 (iii) ESTABLISHMENT OF REFERRAL
25 AND MONITORING AGENCIES.—Section

1 1611(e)(3)(C)(iii) of the Social Security
2 Act (as added by the amendment made by
3 subparagraph (B)(iii) of this paragraph)
4 shall take effect 180 days after the date of
5 the enactment of this Act.

6 (4) IRRELEVANCE OF LEGALITY OF SUBSTAN-
7 TIAL GAINFUL ACTIVITY.—

8 (A) IN GENERAL.—Section 1614(a)(3)(D)
9 of such Act (42 U.S.C. 1382c(a)(3)(D)) is
10 amended by adding at the end the following:
11 “The Secretary shall make determinations
12 under this title with respect to substantial gain-
13 ful activity, without regard to the legality of the
14 activity.”.

15 (B) EFFECTIVE DATE.—The amendment
16 made by subparagraph (A) shall take effect on
17 the date of the enactment of this Act.

18 (c) EFFECTIVE DATE.—The amendments made by
19 the preceding provisions of this section shall apply to bene-
20 fits payable for months beginning 180 or more days after
21 the date of the enactment of this Act.

22 (d) DEMONSTRATION PROJECTS.—

23 (1) IN GENERAL.—The Secretary of Health and
24 Human Services shall develop and carry out dem-
25 onstration projects designed to explore innovative re-

1 ferral, monitoring, and treatment approaches with
2 respect to—

3 (A) individuals who are entitled to disabili-
4 ity insurance benefits or child's, widow's, or
5 widower's insurance benefits based on disability
6 under title II of the Social Security Act, and

7 (B) individuals who are eligible for supple-
8 mental security income benefits under title XVI
9 of such Act based solely on disability,
10 in cases in which alcoholism or drug addiction is a
11 contributing factor material to the Secretary's deter-
12 mination that individuals are under a disability.

13 (2) SCOPE.—The demonstration projects devel-
14 oped under paragraph (1) shall be of sufficient scope
15 and shall be carried out on a wide enough scale to
16 permit a thorough evaluation of the alternative ap-
17 proaches under consideration while giving assurance
18 that the results derived from the projects will obtain
19 generally in the operation of the programs involved
20 without committing such programs to the adoption
21 of any particular system either locally or nationally.

22 (3) FINAL REPORT.—The Secretary shall sub-
23 mit to the Committee on Ways and Means of the
24 House of Representatives and the Committee on Fi-
25 nance of the Senate no later than December 31,

1 1997, a final report on the demonstration projects
2 carried out under this subsection, together with any
3 related data and materials which the Secretary may
4 consider appropriate. The authority under this sec-
5 tion shall terminate upon the transmittal of such
6 final report.

7 **SEC. 202. ISSUANCE OF PHYSICAL DOCUMENTS IN THE**
8 **FORM OF BONDS, NOTES, OR CERTIFICATES**
9 **TO THE SOCIAL SECURITY TRUST FUNDS.**

10 (a) REQUIREMENT THAT OBLIGATIONS ISSUED TO
11 THE OASDI TRUST FUNDS BE EVIDENCED BY PAPER
12 INSTRUMENTS IN THE FORM OF BONDS, NOTES, OR CER-
13 TIFICATES OF INDEBTEDNESS SETTING FORTH THEIR
14 TERMS.—Section 201(d) of the Social Security Act (42
15 U.S.C. 401(d)) is amended by inserting after the fifth sen-
16 tence the following new sentence: “Each obligation issued
17 for purchase by the Trust Funds under this subsection
18 shall be evidenced by a paper instrument in the form of
19 a bond, note, or certificate of indebtedness issued by the
20 Secretary of the Treasury setting forth the principal
21 amount, date of maturity, and interest rate of the obliga-
22 tion, and stating on its face that the obligation shall be
23 incontestable in the hands of the Trust Fund to which
24 it is issued, that the obligation is supported by the full
25 faith and credit of the United States, and that the United

1 States is pledged to the payment of the obligation with
2 respect to both principal and interest.”.

3 (b) PAYMENT TO THE OASDI TRUST FUNDS FROM
4 THE GENERAL FUND OF THE TREASURY OF INTEREST
5 ON OBLIGATIONS, AND OF PROCEEDS FROM THE SALE OR
6 REDEMPTION OF OBLIGATIONS, REQUIRED TO BE IN THE
7 FORM OF CHECKS.—Section 201(f) of such Act (42
8 U.S.C. 401(f)) is amended by adding at the end the follow-
9 ing new sentence: “Payment from the general fund of the
10 the Treasury to either of the Trust Funds of any such
11 interest or proceeds shall be in the form of paper checks
12 drawn on such general fund to the order of such Trust
13 Fund.”.

14 (c) EFFECTIVE DATE.—

15 (1) IN GENERAL.—The amendments made by
16 this section shall apply with respect to obligations is-
17 sued, and payments made, after 60 days after the
18 date of the enactment of this Act.

19 (2) TREATMENT OF OUTSTANDING OBLIGA-
20 TIONS.—Not later than 60 days after the date of the
21 enactment of this Act, the Secretary of the Treasury
22 shall issue to the Federal Old-Age and Survivors In-
23 surance Trust Fund or the Federal Disability Insur-
24 ance Trust Fund, as applicable, a paper instrument,
25 in the form of a bond, note, or certificate of indebt-

1 edness, for each obligation which has been issued to
2 the Trust Fund under section 201(d) of the Social
3 Security Act and which is outstanding as of such
4 date. Each such document shall set forth the prin-
5 cipal amount, date of maturity, and interest rate of
6 the obligation, and shall state on its face that the
7 obligation shall be incontestable in the hands of the
8 Trust Fund to which it was issued, that the obliga-
9 tion is supported by the full faith and credit of the
10 United States, and that the United States is pledged
11 to the payment of the obligation with respect to both
12 principal and interest.

13 **SEC. 203. EXPLICIT REQUIREMENTS FOR MAINTENANCE OF**
14 **TELEPHONE ACCESS TO LOCAL OFFICES OF**
15 **THE SOCIAL SECURITY ADMINISTRATION.**

16 (a) MAINTENANCE OF SERVICE TO LOCAL OF-
17 FICES.—

18 (1) IN GENERAL.—Section 5110(a) of the Om-
19 nibus Budget Reconciliation Act of 1990 (104 Stat.
20 1388–272) is amended by adding at the end the fol-
21 lowing new sentence: “In carrying out the require-
22 ments of the preceding sentence, the Secretary shall
23 reestablish and maintain in service at least the same
24 number of telephone lines to each such local office

1 as was in place as of such date, including telephone
2 sets for connections to such lines.”.

3 (2) EFFECTIVE DATE.—The Secretary of
4 Health and Human Services shall ensure that the
5 requirements of the amendment made by paragraph
6 (1) are carried out no later than 90 days after the
7 date of the enactment of this Act.

8 (3) GAO REPORT.—The Comptroller General of
9 the United States shall make an independent deter-
10 mination of the number of telephone lines to each
11 local office of the Social Security Administration
12 which are in place as of 90 days after the enactment
13 of this Act and shall report his findings to the Com-
14 mittee on Ways and Means of the House of Rep-
15 resentatives and the Committee on Finance of the
16 Senate no later than 150 days after the date of the
17 enactment of this Act.

18 (b) MAINTENANCE OF TOLL-FREE TELEPHONE
19 NUMBER SERVICE.—The Secretary of Health and Human
20 Services shall ensure that toll-free telephone service pro-
21 vided by the Social Security Administration is maintained
22 at a level which is at least equal to that in effect on the
23 date of the enactment of this Act.

1 **SEC. 204. EXPANSION OF STATE OPTION TO EXCLUDE**
2 **SERVICE OF ELECTION OFFICIALS OR ELEC-**
3 **TION WORKERS FROM COVERAGE.**

4 (a) LIMITATION ON MANDATORY COVERAGE OF
5 STATE ELECTION OFFICIALS AND ELECTION WORKERS
6 WITHOUT STATE RETIREMENT SYSTEM.—

7 (1) AMENDMENT TO SOCIAL SECURITY ACT.—

8 Section 210(a)(7)(F)(iv) of the Social Security Act
9 (42 U.S.C. 410(a)(7)(F)(iv)) (as amended by section
10 11332(a) of the Omnibus Budget Reconciliation Act
11 of 1990) is amended by striking “\$100” and insert-
12 ing “\$1,000 with respect to service performed dur-
13 ing 1995, and the adjusted amount determined
14 under section 218(c)(8)(B) for any subsequent year
15 with respect to service performed during such subse-
16 quent year”.

17 (2) AMENDMENT TO FICA.—Section
18 3121(b)(7)(F)(iv) of the Internal Revenue Code of
19 1986 (as amended by section 11332(b) of the Omni-
20 bus Budget Reconciliation Act of 1990) is amended
21 by striking “\$100” and inserting “\$1,000 with re-
22 spect to service performed during 1995, and the
23 adjusted amount determined under section
24 218(c)(8)(B) of the Social Security Act for any sub-
25 sequent year with respect to service performed dur-
26 ing such subsequent year”.

1 (b) CONFORMING AMENDMENTS RELATING TO MED-
2 ICARE QUALIFIED GOVERNMENT EMPLOYMENT.—

3 (1) AMENDMENT TO SOCIAL SECURITY ACT.—

4 Section 210(p)(2)(E) of the Social Security Act (42
5 U.S.C. 410(p)(2)(E)) is amended by striking
6 “\$100” and inserting “\$1,000 with respect to serv-
7 ice performed during 1995, and the adjusted amount
8 determined under section 218(c)(8)(B) for any sub-
9 sequent year with respect to service performed dur-
10 ing such subsequent year”.

11 (2) AMENDMENT TO FICA.—Section
12 3121(u)(2)(B)(ii)(V) of the Internal Revenue Code
13 of 1986 is amended by striking “\$100” and insert-
14 ing “\$1,000 with respect to service performed dur-
15 ing 1995, and the adjusted amount determined
16 under section 218(c)(8)(B) of the Social Security
17 Act for any subsequent year with respect to service
18 performed during such subsequent year”.

19 (c) AUTHORITY FOR STATES TO MODIFY COVERAGE
20 AGREEMENTS WITH RESPECT TO ELECTION OFFICIALS
21 AND ELECTION WORKERS.—Section 218(c)(8) of the So-
22 cial Security Act (42 U.S.C. 418(c)(8)) is amended—

23 (1) by striking “on or after January 1, 1968,”
24 and inserting “at any time”;

1 (2) by striking “\$100” and inserting “\$1,000
2 with respect to service performed during 1995, and
3 the adjusted amount determined under subpara-
4 graph (B) for any subsequent year with respect to
5 service performed during such subsequent year”;
6 and

7 (3) by striking the last sentence and inserting
8 the following new sentence: “Any modification of an
9 agreement pursuant to this paragraph shall be effec-
10 tive with respect to services performed in and after
11 the calendar year in which the modification is mailed
12 or delivered by other means to the Secretary.”.

13 (d) INDEXATION OF EXEMPT AMOUNT.—Section
14 218(c)(8) of such Act (as amended by subsection (c)) is
15 further amended—

16 (1) by inserting “(A)” after “(8)”; and

17 (2) by adding at the end the following new sub-
18 paragraph:

19 “(B) For each year after 1995, the Secretary shall
20 adjust the amount referred to in subparagraph (A) at the
21 same time and in the same manner as is provided under
22 section 215(a)(1)(B)(ii) with respect to the amounts re-
23 ferred to in section 215(a)(1)(B)(i), except that—

1 “(i) for purposes of this subparagraph, 1993
2 shall be substituted for the calendar year referred to
3 in section 215(a)(1)(B)(ii)(II), and

4 “(ii) such amount as so adjusted, if not a mul-
5 tiple of \$100, shall be rounded to the next higher
6 multiple of \$100 where such amount is a multiple of
7 \$50 and to the nearest multiple of \$100 in any other
8 case.

9 The Secretary shall determine and publish in the Federal
10 Register each adjusted amount determined under this sub-
11 paragraph not later than November 1 preceding the year
12 for which the adjustment is made.”.

13 (e) EFFECTIVE DATE.—The amendments made by
14 subsections (a), (b), and (c) shall apply with respect to
15 service performed on or after January 1, 1995.

16 **SEC. 205. USE OF SOCIAL SECURITY NUMBERS BY STATES**
17 **AND LOCAL GOVERNMENTS AND FEDERAL**
18 **DISTRICT COURTS FOR JURY SELECTION**
19 **PURPOSES.**

20 (a) IN GENERAL.—Section 205(c)(2) of the Social
21 Security Act (42 U.S.C. 405(c)(2)) is amended—

22 (1) in subparagraph (B)(i), by striking “(E)” in
23 the matter preceding subclause (I) and inserting
24 “(F)”;

1 (2) by redesignating subparagraphs (E) and
2 (F) as subparagraphs (F) and (G), respectively; and

3 (3) by inserting after subparagraph (D) the fol-
4 lowing:

5 “(E)(i) It is the policy of the United States that—

6 “(I) any State (or any political subdivision of a
7 State) may utilize the social security account num-
8 bers issued by the Secretary for the additional pur-
9 poses described in clause (ii) if such numbers have
10 been collected and are otherwise utilized by such
11 State (or political subdivision) in accordance with
12 applicable law, and

13 “(II) any district court of the United States
14 may use, for such additional purposes, any such so-
15 cial security account numbers which have been so
16 collected and are so utilized by any State.

17 “(ii) The additional purposes described in this clause
18 are the following:

19 “(I) Identifying duplicate names of individuals
20 on master lists used for jury selection purposes.

21 “(II) Identifying on such master lists those in-
22 dividuals who are ineligible to serve on a jury by rea-
23 son of their conviction of a felony.

24 “(iii) To the extent that any provision of Federal law
25 enacted before the date of the enactment of this subpara-

1 graph is inconsistent with the policy set forth in clause
 2 (i), such provision shall, on and after that date, be null,
 3 void, and of no effect.

4 “(iv) For purposes of this subparagraph, the term
 5 ‘State’ has the meaning such term has in subparagraph
 6 (D).”.

7 (b) EFFECTIVE DATE.—The amendments made by
 8 subsection (a) shall take effect on the date of the enact-
 9 ment of this Act.

10 **SEC. 206. AUTHORIZATION FOR ALL STATES TO EXTEND**
 11 **COVERAGE TO STATE AND LOCAL POLICE-**
 12 **MEN AND FIREMEN UNDER EXISTING COV-**
 13 **ERAGE AGREEMENTS.**

14 (a) IN GENERAL.—Section 218(l) of the Social Secu-
 15 rity Act (42 U.S.C. 418(l)) is amended—

16 (1) in paragraph (1), by striking “(1)” after
 17 “(l)”, and by striking “the State of” and all that fol-
 18 lows through “prior to the date of enactment of this
 19 subsection” and inserting “a State entered into pur-
 20 suant to this section”; and

21 (2) by striking paragraph (2).

22 (b) CONFORMING AMENDMENT.—Section
 23 218(d)(8)(D) of such Act (42 U.S.C. 418(d)(8)(D)) is
 24 amended by striking “agreements with the States named

1 in” and inserting “State agreements modified as provided
2 in”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply with respect to modifications filed
5 by States after the date of the enactment of this Act.

6 **SEC. 207. LIMITED EXEMPTION FOR CANADIAN MINISTERS**
7 **FROM CERTAIN SELF-EMPLOYMENT TAX LI-**
8 **ABILITY.**

9 (a) IN GENERAL.—Notwithstanding any other provi-
10 sion of law, if—

11 (1) an individual performed services described
12 in section 1402(c)(4) of the Internal Revenue Code
13 of 1986 which are subject to tax under section 1401
14 of such Code,

15 (2) such services were performed in Canada at
16 a time when no agreement between the United
17 States and Canada pursuant to section 233 of the
18 Social Security Act was in effect, and

19 (3) such individual was required to pay con-
20 tributions on the earnings from such services under
21 the social insurance system of Canada,

22 then such individual may file a certificate under this sec-
23 tion in such form and manner, and with such official, as
24 may be prescribed in regulations issued under chapter 2
25 of such Code. Upon the filing of such certificate, notwith-

1 standing any judgment which has been entered to the con-
2 trary, such individual shall be exempt from payment of
3 such tax with respect to services described in paragraphs
4 (1) and (2) and from any penalties or interest for failure
5 to pay such tax or to file a self-employment tax return
6 as required under section 6017 of such Code.

7 (b) PERIOD FOR FILING.—A certificate referred to
8 in subsection (a) may be filed only during the 180-day
9 period commencing with the date on which the regulations
10 referred to in subsection (a) are issued.

11 (c) TAXABLE YEARS AFFECTED BY CERTIFICATE.—
12 A certificate referred to in subsection (a) shall be effective
13 for taxable years ending after December 31, 1978, and
14 before January 1, 1985.

15 (d) RESTRICTION ON CREDITING OF EXEMPT SELF-
16 EMPLOYMENT INCOME.—In any case in which an individ-
17 ual is exempt under this section from paying a tax im-
18 posed under section 1401 of the Internal Revenue Code
19 of 1986, any income on which such tax would have been
20 imposed but for such exemption shall not constitute self-
21 employment income under section 211(b) of the Social Se-
22 curity Act (42 U.S.C. 411(b)), and, if such individual's
23 primary insurance amount has been determined under sec-
24 tion 215 of such Act (42 U.S.C. 415), notwithstanding
25 section 215(f)(1) of such Act, the Secretary of Health and

1 Human Services shall recompute such primary insurance
 2 amount so as to take into account the provisions of this
 3 subsection. The recomputation under this subsection shall
 4 be effective with respect to benefits for months following
 5 approval of the certificate of exemption.

6 **SEC. 208. EXCLUSION OF TOTALIZATION BENEFITS FROM**
 7 **THE APPLICATION OF THE WINDFALL ELIMI-**
 8 **NATION PROVISION.**

9 (a) IN GENERAL.—Section 215(a)(7) of the Social
 10 Security Act (42 U.S.C. 415(a)(7)) is amended—

11 (1) in subparagraph (A), by striking “but ex-
 12 cluding” and all that follows through “1937” and
 13 inserting “but excluding (I) a payment under the
 14 Railroad Retirement Act of 1974 or 1937, and (II)
 15 a payment by a social security system of a foreign
 16 country based on an agreement concluded between
 17 the United States and such foreign country pursuant
 18 to section 233”; and

19 (2) in subparagraph (E), by inserting after “in
 20 the case of an individual” the following: “whose eli-
 21 gibility for old-age or disability insurance benefits is
 22 based on an agreement concluded pursuant to sec-
 23 tion 233 or an individual”.

24 (b) CONFORMING AMENDMENT RELATING TO BENE-
 25 FITS UNDER 1939 ACT.—Section 215(d)(3) of such Act

1 (42 U.S.C. 415(d)(3)) is amended by striking “but exclud-
 2 ing” and all that follows through “1937” and inserting
 3 “but excluding (I) a payment under the Railroad Retire-
 4 ment Act of 1974 or 1937, and (II) a payment by a social
 5 security system of a foreign country based on an agree-
 6 ment concluded between the United States and such for-
 7 eign country pursuant to section 233”.

8 (c) EFFECTIVE DATE.—The amendments made by
 9 this section shall apply (notwithstanding section 215(f)(1)
 10 of the Social Security Act (42 U.S.C. 415(f)(1))) with re-
 11 spect to benefits payable for months after January 1995.

12 **SEC. 209. EXCLUSION OF MILITARY RESERVISTS FROM AP-**
 13 **PLICATION OF THE GOVERNMENT PENSION**
 14 **OFFSET AND WINDFALL ELIMINATION PROVI-**
 15 **SIONS.**

16 (a) EXCLUSION FROM GOVERNMENT PENSION OFF-
 17 SET PROVISIONS.—Subsections (b)(4), (c)(2), (e)(7),
 18 (f)(2), and (g)(4) of section 202 of the Social Security Act
 19 (42 U.S.C. 402 (b)(4), (c)(2), (e)(7), (f)(2), and (g)(4))
 20 are each amended—

21 (1) in subparagraph (A)(ii), by striking “unless
 22 subparagraph (B) applies.”;

23 (2) in subparagraph (A), by striking “The” in
 24 the matter following clause (ii) and inserting “unless
 25 subparagraph (B) applies. The”; and

1 (3) in subparagraph (B), by redesignating the
2 existing matter as clause (ii), and by inserting before
3 such clause (ii) (as so redesignated) the following:

4 “(B)(i) Subparagraph (A)(i) shall not apply with re-
5 spect to monthly periodic benefits based wholly on service
6 as a member of a uniformed service (as defined in section
7 210(m)).”.

8 (b) EXCLUSION FROM WINDFALL ELIMINATION
9 PROVISIONS.—Section 215(a)(7)(A) of such Act (as
10 amended by section 210(a) of this Act) and section
11 215(d)(3) of such Act (as amended by section 210(b) of
12 this Act) are each further amended—

13 (1) by striking “and” before “(II)”; and

14 (2) by striking “section 233” and inserting
15 “section 233, and (III) a payment based wholly on
16 service as a member of a uniformed service (as de-
17 fined in section 210(m))”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply (notwithstanding section 215(f) of
20 the Social Security Act) with respect to benefits payable
21 for months after January 1995.

1 **SEC. 210. REPEAL OF THE FACILITY-OF-PAYMENT PROVI-**
2 **SION.**

3 (a) REPEAL OF RULE PRECLUDING REDISTRIBUTION
4 UNDER FAMILY MAXIMUM.—Section 203(i) of the Social
5 Security Act (42 U.S.C. 403(i)) is repealed.

6 (b) COORDINATION UNDER FAMILY MAXIMUM OF
7 REDUCTION IN BENEFICIARY'S AUXILIARY BENEFITS
8 WITH SUSPENSION OF AUXILIARY BENEFITS OF OTHER
9 BENEFICIARY UNDER EARNINGS TEST.—Section
10 203(a)(4) of such Act (42 U.S.C. 403(a)(4)) is amended
11 by striking “section 222(b). Whenever” and inserting the
12 following: “section 222(b). Notwithstanding the preceding
13 sentence, any reduction under this subsection in the case
14 of an individual who is entitled to a benefit under sub-
15 section (b), (c), (d), (e), (f), (g), or (h) of section 202 for
16 any month on the basis of the same wages and self-em-
17 ployment income as another person—

18 “(A) who also is entitled to a benefit under sub-
19 section (b), (c), (d), (e), (f), (g), or (h) of section
20 202 for such month,

21 “(B) who does not live in the same household
22 as such individual, and

23 “(C) whose benefit for such month is suspended
24 (in whole or in part) pursuant to subsection (h)(3)
25 of this section,

1 shall be made before the suspension under subsection
2 (h)(3). Whenever”.

3 (c) CONFORMING AMENDMENT APPLYING EARNINGS
4 REPORTING REQUIREMENT DESPITE SUSPENSION OF
5 BENEFITS.—The third sentence of section 203(h)(1)(A)
6 of such Act (42 U.S.C. 403(h)(1)(A)) is amended by strik-
7 ing “Such report need not be made” and all that follows
8 through “The Secretary may grant” and inserting the fol-
9 lowing: “Such report need not be made for any taxable
10 year—

11 “(i) beginning with or after the month in which
12 such individual attained age 70, or

13 “(ii) if benefit payments for all months (in such
14 taxable year) in which such individual is under age
15 70 have been suspended under the provisions of the
16 first sentence of paragraph (3) of this subsection,
17 unless—

18 “(I) such individual is entitled to benefits
19 under subsection (b), (c), (d), (e), (f), (g), or
20 (h) of section 202,

21 “(II) such benefits are reduced under sub-
22 section (a) of this section for any month in such
23 taxable year, and

24 “(III) in any such month there is another
25 person who also is entitled to benefits under

1 subsection (b), (c), (d), (e), (f), (g), or (h) of
2 section 202 on the basis of the same wages and
3 self-employment income and who does not live
4 in the same household as such individual.

5 The Secretary may grant”.

6 (d) CONFORMING AMENDMENT DELETING SPECIAL
7 INCOME TAX TREATMENT OF BENEFITS NO LONGER RE-
8 QUIRED BY REASON OF REPEAL.—Section 86(d)(1) of the
9 Internal Revenue Code of 1986 (relating to income tax
10 on social security benefits) is amended by striking the last
11 sentence.

12 (e) EFFECTIVE DATES.—

13 (1) The amendments made by subsections (a),
14 (b), and (c) shall apply with respect to benefits pay-
15 able for months after December 1995.

16 (2) The amendment made by subsection (d)
17 shall apply with respect to benefits received after
18 December 31, 1995, in taxable years ending after
19 such date.

20 **SEC. 211. MAXIMUM FAMILY BENEFITS IN GUARANTEE**
21 **CASES.**

22 (a) IN GENERAL.—Section 203(a) of the Social Secu-
23 rity Act (42 U.S.C. 403(a)) is amended by adding at the
24 end the following new paragraph:

25 “(10)(A) Subject to subparagraphs (B) and (C)—

1 “(i) the total monthly benefits to which bene-
2 ficiaries may be entitled under sections 202 and 223
3 for a month on the basis of the wages and self-em-
4 ployment income of an individual whose primary in-
5 surance amount is computed under section
6 215(a)(2)(B)(i) shall equal the total monthly bene-
7 fits which were authorized by this section with re-
8 spect to such individual’s primary insurance amount
9 for the last month of his prior entitlement to disabili-
10 ty insurance benefits, increased for this purpose by
11 the general benefit increases and other increases
12 under section 215(i) that would have applied to such
13 total monthly benefits had the individual remained
14 entitled to disability insurance benefits until the
15 month in which he became entitled to old-age insur-
16 ance benefits or reentitled to disability insurance
17 benefits or died, and

18 “(ii) the total monthly benefits to which bene-
19 ficiaries may be entitled under sections 202 and 223
20 for a month on the basis of the wages and self-em-
21 ployment income of an individual whose primary in-
22 surance amount is computed under section
23 215(a)(2)(C) shall equal the total monthly benefits
24 which were authorized by this section with respect to
25 such individual’s primary insurance amount for the

1 last month of his prior entitlement to disability in-
2 surance benefits.

3 “(B) In any case in which—

4 “(i) the total monthly benefits with respect to
5 such individual’s primary insurance amount for the
6 last month of his prior entitlement to disability in-
7 surance benefits was computed under paragraph (6),
8 and

9 “(ii) the individual’s primary insurance amount
10 is computed under subparagraph (B)(i) or (C) of
11 section 215(a)(2) by reason of the individual’s enti-
12 tlement to old-age insurance benefits or death,
13 the total monthly benefits shall equal the total monthly
14 benefits that would have been authorized with respect to
15 the primary insurance amount for the last month of his
16 prior entitlement to disability insurance benefits if such
17 total monthly benefits had been computed without regard
18 to paragraph (6).

19 “(C) This paragraph shall apply before the applica-
20 tion of paragraph (3)(A), and before the application of
21 section 203(a)(1) of this Act as in effect in December
22 1978.”.

23 (b) CONFORMING AMENDMENT.—Section 203(a)(8)
24 of such Act (42 U.S.C. 403(a)(8)) is amended by striking
25 “Subject to paragraph (7),” and inserting “Subject to

1 paragraph (7) and except as otherwise provided in para-
2 graph (10)(C),”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply for the purpose of determining the
5 total monthly benefits to which beneficiaries may be enti-
6 tled under sections 202 and 223 of the Social Security
7 Act based on the wages and self-employment income of
8 an individual who—

9 (1) becomes entitled to an old-age insurance
10 benefit under section 202(a) of such Act,

11 (2) becomes reentitled to a disability insurance
12 benefit under section 223 of such Act, or

13 (3) dies,

14 after January 1995.

15 **SEC. 212. AUTHORIZATION FOR DISCLOSURE BY THE SEC-**
16 **RETARY OF HEALTH AND HUMAN SERVICES**
17 **OF INFORMATION FOR PURPOSES OF PUBLIC**
18 **OR PRIVATE EPIDEMIOLOGICAL AND SIMI-**
19 **LAR RESEARCH.**

20 (a) IN GENERAL.—Section 1106 of the Social Secu-
21 rity Act (42 U.S.C. 1306) is amended—

22 (1) by redesignating subsections (d) and (e) as
23 subsections (e) and (f), respectively;

1 (2) in subsection (f) (as so redesignated), by
2 striking “subsection (d)” and inserting “subsection
3 (e)”;

4 (3) by inserting after subsection (c) the follow-
5 ing new subsection:

6 “(d) Notwithstanding any other provision of this sec-
7 tion, in any case in which—

8 “(1) information regarding whether an individ-
9 ual is shown on the records of the Secretary as
10 being alive or deceased is requested from the Sec-
11 retary for purposes of epidemiological or similar re-
12 search which the Secretary finds may reasonably be
13 expected to contribute to a national health interest,
14 and

15 “(2) the requester agrees to reimburse the Sec-
16 retary for providing such information and to comply
17 with limitations on safeguarding and rerelease or
18 redisclosure of such information as may be specified
19 by the Secretary,

20 the Secretary shall comply with such request, except to
21 the extent that compliance with such request would con-
22 stitute a violation of the terms of any contract entered
23 into under section 205(r).”.

24 (b) AVAILABILITY OF INFORMATION RETURNS RE-
25 GARDING WAGES PAID EMPLOYEES.—Section 6103(l)(5)

1 of the Internal Revenue Code of 1986 (relating to disclo-
2 sure of returns and return information to the Department
3 of Health and Human Services for purposes other than
4 tax administration) is amended—

5 (1) by striking “for the purpose of” and insert-
6 ing “for the purpose of—”;

7 (2) by striking “carrying out, in accordance
8 with an agreement” and inserting the following:

9 “(A) carrying out, in accordance with an
10 agreement”;

11 (3) by striking “program.” and inserting “pro-
12 gram; or”; and

13 (4) by adding at the end the following new sub-
14 paragraph:

15 “(B) providing information regarding the
16 mortality status of individuals for epidemiolog-
17 ical and similar research in accordance with
18 section 1106(d) of the Social Security Act.”.

19 (c) EFFECTIVE DATE.—The amendments made by
20 this section shall apply with respect to requests for infor-
21 mation made after the date of the enactment of this Act.

1 **SEC. 213. MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN**
2 **REFERENCE TO SOCIAL SECURITY PRO-**
3 **GRAMS AND AGENCIES.**

4 (a) PROHIBITION OF UNAUTHORIZED REPRODUC-
5 TION, REPRINTING, OR DISTRIBUTION FOR FEE OF CER-
6 TAIN OFFICIAL PUBLICATIONS.—Section 1140(a) of the
7 Social Security Act (42 U.S.C. 1320b–10(a)) is amend-
8 ed—

9 (1) by redesignating paragraphs (1) and (2) as
10 subparagraphs (A) and (B), respectively;

11 (2) by inserting “(1)” after “(a)”; and

12 (3) by adding at the end the following new
13 paragraph:

14 “(2) No person may, for a fee, reproduce, reprint,
15 or distribute any item consisting of a form, application,
16 or other publication of the Social Security Administration
17 unless such person has obtained specific, written author-
18 ization for such activity in accordance with regulations
19 which the Secretary shall prescribe.”.

20 (b) ADDITION TO PROHIBITED WORDS, LETTERS,
21 SYMBOLS, AND EMBLEMS.—Paragraph (1) of section
22 1140(a) of such Act (as redesignated by subsection (a))
23 is further amended—

24 (1) in subparagraph (A) (as redesignated), by
25 striking “Administration”, the letters ‘SSA’ or
26 ‘HCFA’,” and inserting “Administration”, ‘Depart-

1 ment of Health and Human Services’, ‘Health and
2 Human Services’, ‘Supplemental Security Income
3 Program’, or ‘Medicaid’, the letters ‘SSA’, ‘HCFA’,
4 ‘DHHS’, ‘HHS’, or ‘SSI’,”; and

5 (2) in subparagraph (B) (as redesignated), by
6 striking “Social Security Administration” each place
7 it appears and inserting “Social Security Adminis-
8 tration, Health Care Financing Administration, or
9 Department of Health and Human Services”, and
10 by striking “or of the Health Care Financing Ad-
11 ministration”.

12 (c) EXEMPTION FOR USE OF WORDS, LETTERS,
13 SYMBOLS, AND EMBLEMS OF STATE AND LOCAL GOV-
14 ERNMENT AGENCIES BY SUCH AGENCIES.—Paragraph
15 (1) of section 1140(a) of such Act (as redesignated by sub-
16 section (a)) is further amended by adding at the end the
17 following new sentence: “The preceding provisions of this
18 subsection shall not apply with respect to the use by any
19 agency or instrumentality of a State or political subdivi-
20 sion of a State of any words or letters which identify an
21 agency or instrumentality of such State or of a political
22 subdivision of such State or the use by any such agency
23 or instrumentality of any symbol or emblem of an agency
24 or instrumentality of such State or a political subdivision
25 of such State.”.

1 (d) INCLUSION OF REASONABLENESS STANDARD.—
2 Section 1140(a)(1) of such Act (as amended by the pre-
3 ceding provisions of this section) is further amended, in
4 the matter following subparagraph (B) (as redesignated),
5 by striking “convey” and inserting “convey, or in a man-
6 ner which reasonably could be interpreted or construed as
7 conveying,”.

8 (e) INEFFECTIVENESS OF DISCLAIMERS.—Sub-
9 section (a) of section 1140 of such Act (as amended by
10 the preceding provisions of this section) is further amend-
11 ed by adding at the end the following new paragraph:

12 “(3) Any determination of whether the use of one or
13 more words, letters, symbols, or emblems (or any combina-
14 tion or variation thereof) in connection with an item de-
15 scribed in paragraph (1) or the reproduction, reprinting,
16 or distribution of an item described in paragraph (2) is
17 a violation of this subsection shall be made without regard
18 to any inclusion in such item (or any so reproduced, re-
19 printed, or distributed copy thereof) of a disclaimer of af-
20 filiation with the United States Government or any par-
21 ticular agency or instrumentality thereof.”.

22 (f) VIOLATIONS WITH RESPECT TO INDIVIDUAL
23 ITEMS.—Section 1140(b)(1) of such Act (42 U.S.C.
24 1320b–10(b)(1)) is amended by adding at the end the fol-
25 lowing new sentence: “In the case of any items referred

1 to in subsection (a)(1) consisting of pieces of mail, each
 2 such piece of mail which contains one or more words, let-
 3 ters, symbols, or emblems in violation of subsection (a)
 4 shall represent a separate violation. In the case of any
 5 item referred to in subsection (a)(2), the reproduction, re-
 6 printing, or distribution of such item shall be treated as
 7 a separate violation with respect to each copy thereof so
 8 reproduced, reprinted, or distributed.”.

9 (g) ELIMINATION OF CAP ON AGGREGATE LIABILITY
 10 AMOUNT.—

11 (1) REPEAL.—Paragraph (2) of section 1140(b)
 12 of such Act (42 U.S.C. 1320b–10(b)(2)) is repealed.

13 (2) CONFORMING AMENDMENTS.—Section
 14 1140(b) of such Act is further amended—

15 (A) by striking “(1) Subject to paragraph
 16 (2), the” and inserting “The”;

17 (B) by redesignating subparagraphs (A)
 18 and (B) as paragraphs (1) and (2), respectively;
 19 and

20 (C) in paragraph (1) (as redesignated), by
 21 striking “subparagraph (B)” and inserting
 22 “paragraph (2)”.

23 (h) REMOVAL OF FORMAL DECLINATION REQUIRE-
 24 MENT.—Section 1140(c)(1) of such Act (42 U.S.C.

1 1320b–10(c)(1)) is amended by inserting “and the first
2 sentence of subsection (c)” after “and (i)”.

3 (i) PENALTIES RELATING TO SOCIAL SECURITY AD-
4 MINISTRATION DEPOSITED IN OASI TRUST FUND.—Sec-
5 tion 1140(c)(2) of such Act (42 U.S.C. 1320b–10(c)(2))
6 is amended in the second sentence by striking “United
7 States.” and inserting “United States, except that, to the
8 extent that such amounts are recovered under this section
9 as penalties imposed for misuse of words, letters, symbols,
10 or emblems relating to the Social Security Administration,
11 such amounts shall be deposited into the Federal Old-Age
12 and Survivor’s Insurance Trust Fund.”.

13 (j) ENFORCEMENT.—Section 1140 of such Act (42
14 U.S.C. 1320b–10) is amended by adding at the end the
15 following new subsection:

16 “(d) The preceding provisions of this section shall be
17 enforced through the Office of Inspector General of the
18 Department of Health and Human Services.”.

19 (k) ANNUAL REPORTS.—Section 1140 of such Act
20 (as amended by the preceding provisions of this section)
21 is further amended by adding at the end the following new
22 subsection:

23 “(e) The Secretary shall include in the annual report
24 submitted pursuant to section 704 a report on the oper-

1 ation of this section during the year covered by such an-
2 nual report. Such report shall specify—

3 “(1) the number of complaints of violations of
4 this section received by the Social Security Adminis-
5 tration during the year,

6 “(2) the number of cases in which a notice of
7 violation of this section was sent by the Social Secu-
8 rity Administration during the year requesting that
9 an individual cease activities in violation of this
10 section,

11 “(3) the number of complaints of violations of
12 this section referred by the Social Security Adminis-
13 tration to the Inspector General in the Department
14 of Health and Human Services during the year,

15 “(4) the number of investigations of violations
16 of this section undertaken by the Inspector General
17 during the year,

18 “(5) the number of cases in which a demand
19 letter was sent during the year assessing a civil
20 money penalty under this section,

21 “(6) the total amount of civil money penalties
22 assessed under this section during the year,

23 “(7) the number of requests for hearings filed
24 during the year pursuant to subsection (c)(1) of this
25 section and section 1128A(c)(2),

1 “(8) the disposition during such year of hear-
2 ings filed pursuant to sections 1140(c)(1) and
3 1128A(c)(2), and

4 “(9) the total amount of civil money penalties
5 under this section deposited into the Federal Old-
6 Age and Survivors Insurance Trust Fund during the
7 year.”.

8 (I) PROHIBITION OF MISUSE OF DEPARTMENT OF
9 THE TREASURY NAMES, SYMBOLS, ETC.—

10 (1) GENERAL RULE.—Subchapter II of chapter
11 3 of title 31, United States Code, is amended by
12 adding at the end thereof the following new section:

13 **“§ 333. Prohibition of misuse of Department of the**
14 **Treasury names, symbols, etc.**

15 “(a) GENERAL RULE.—No person may use, in con-
16 nection with, or as a part of, any advertisement, sollicita-
17 tion, business activity, or product, whether alone or with
18 other words, letters, symbols, or emblems—

19 “(1) the words ‘Department of the Treasury’,
20 or the name of any service, bureau, office, or other
21 subdivision of the Department of the Treasury,

22 “(2) the titles ‘Secretary of the Treasury’ or
23 ‘Treasurer of the United States’ or the title of any
24 other officer or employee of the Department of the
25 Treasury,

1 “(3) the abbreviations or initials of any entity
2 referred to in paragraph (1),

3 “(4) the words ‘United States Savings Bond’ or
4 the name of any other obligation issued by the De-
5 partment of the Treasury,

6 “(5) any symbol or emblem of an entity re-
7 ferred to in paragraph (1) (including the design of
8 any envelope or stationary used by such an entity),
9 and

10 “(6) any colorable imitation of any such words,
11 titles, abbreviations, initials, symbols, or emblems,
12 in a manner which could reasonably be interpreted or con-
13 strued as conveying the false impression that such adver-
14 tisement, solicitation, business activity, or product is in
15 any manner approved, endorsed, sponsored, or authorized
16 by, or associated with, the Department of the Treasury
17 or any entity referred to in paragraph (1) or any officer
18 or employee thereof.

19 “(b) TREATMENT OF DISCLAIMERS.—Any deter-
20 mination of whether a person has violated the provisions
21 of subsection (a) shall be made without regard to any use
22 of a disclaimer of affiliation with the United States Gov-
23 ernment or any particular agency or instrumentality there-
24 of.

25 “(c) CIVIL PENALTY.—

1 “(1) IN GENERAL.—The Secretary of the
2 Treasury may impose a civil penalty on any person
3 who violates the provisions of subsection (a).

4 “(2) AMOUNT OF PENALTY.—The amount of
5 the civil penalty imposed by paragraph (1) shall not
6 exceed \$5,000 for each use of any material in viola-
7 tion of subsection (a). If such use is in a broadcast
8 or telecast, the preceding sentence shall be applied
9 by substituting ‘\$25,000’ for ‘\$5,000’.

10 “(3) TIME LIMITATIONS.—

11 “(A) ASSESSMENTS.—The Secretary of the
12 Treasury may assess any civil penalty under
13 paragraph (1) at any time before the end of the
14 3-year period beginning on the date of the vio-
15 lation with respect to which such penalty is im-
16 posed.

17 “(B) CIVIL ACTION.—The Secretary of the
18 Treasury may commence a civil action to re-
19 cover any penalty imposed under this subsection
20 at any time before the end of the 2-year period
21 beginning on the date on which such penalty
22 was assessed.

23 “(4) COORDINATION WITH SUBSECTION (d).—
24 No penalty may be assessed under this subsection
25 with respect to any violation after a criminal pro-

1 ceeding with respect to such violation has been com-
2 menced under subsection (d).

3 “(d) CRIMINAL PENALTY.—

4 “(1) IN GENERAL.—If any person knowingly
5 violates subsection (a), such person shall, upon con-
6 viction thereof, be fined not more than \$10,000 for
7 each such use or imprisoned not more than 1 year,
8 or both. If such use is in a broadcast or telecast, the
9 preceding sentence shall be applied by substituting
10 ‘\$50,000’ for ‘\$10,000’.

11 “(2) TIME LIMITATIONS.—No person may be
12 prosecuted, tried, or punished under paragraph (1)
13 for any violation of subsection (a) unless the indict-
14 ment is found or the information instituted during
15 the 3-year period beginning on the date of the viola-
16 tion.

17 “(3) COORDINATION WITH SUBSECTION (c).—
18 No criminal proceeding may be commenced under
19 this subsection with respect to any violation if a civil
20 penalty has previously been assessed under sub-
21 section (c) with respect to such violation.”

22 (2) CLERICAL AMENDMENT.—The analysis for
23 chapter 3 of title 31, United States Code, is amend-
24 ed by adding after the item relating to section 332
25 the following new item:

“333. Prohibition of misuse of Department of the Treasury names, symbols, etc.”.

1 (3) REPORT.—Not later than May 1, 1996, the
2 Secretary of the Treasury shall submit a report to
3 the Committee on Ways and Means of the House of
4 Representatives and the Committee on Finance of
5 the Senate on the implementation of the amend-
6 ments made by this section. Such report shall in-
7 clude the number of cases in which the Secretary
8 has notified persons of violations of section 333 of
9 title 31, United States Code (as added by subsection
10 (a)), the number of prosecutions commenced under
11 such section, and the total amount of the penalties
12 collected in such prosecutions.

13 (m) EFFECTIVE DATE.—The amendments made by
14 this section shall apply with respect to violations occurring
15 after the date of the enactment of this Act.

16 **SEC. 214. INCREASED PENALTIES FOR UNAUTHORIZED DIS-**
17 **CLOSURE OF SOCIAL SECURITY INFORMA-**
18 **TION.**

19 (a) UNAUTHORIZED DISCLOSURE.—Section 1106(a)
20 of the Social Security Act (42 U.S.C. 1306(a)) is amend-
21 ed—

22 (1) by striking “misdemeanor” and inserting
23 “felony”;

(b) UNAUTHORIZED DISCLOSURE BY FRAUD.—Section 1107(b) of such Act (42 U.S.C. 1307(b)) is amended—

8 (1) by inserting “social security account num-
9 ber,” after “information as to the”;

10 (2) by striking “misdemeanor” and inserting
11 “felony”;

(3) by striking “\$1,000” and inserting
“\$10,000 for each occurrence of a violation”; and

14 (4) by striking “one year” and inserting “5
15 years”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to violations occurring on or after the date of the enactment of this Act.

19 SEC. 215. INCREASE IN AUTHORIZED PERIOD FOR EXTEN-
20 SION OF TIME TO FILE ANNUAL EARNINGS
21 REPORT.

(a) IN GENERAL.—Section 203(h)(1)(A) of the Social Security Act (42 U.S.C. 403(h)(1)(A)) is amended in the last sentence by striking “three months” and inserting “four months”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall apply with respect to reports of earn-
3 ings for taxable years ending on or after December 31,
4 1994.

5 **SEC. 216. EXTENSION OF DISABILITY INSURANCE PRO-**
6 **GRAM DEMONSTRATION PROJECT AUTHOR-**
7 **ITY.**

8 (a) IN GENERAL.—Section 505 of the Social Security
9 Disability Amendments of 1980 (Public Law 96–265), as
10 amended by section 12101 of the Consolidated Omnibus
11 Budget Reconciliation Act of 1985 (Public Law 99–272),
12 section 10103 of the Omnibus Budget Reconciliation Act
13 of 1989 (Public Law 101–239), and section 5120 of the
14 Omnibus Budget Reconciliation Act of 1990 (Public Law
15 101–508) is further amended—

16 (1) in paragraph (3) of subsection (a), by strik-
17 ing “June 10, 1993” and inserting “June 10,
18 1996”;

19 (2) in paragraph (4) of subsection (a), by strik-
20 ing “1992” and inserting “1995”; and

21 (3) in subsection (c), by striking “October 1,
22 1993” and inserting “October 1, 1996”.

23 (b) EFFECTIVE DATE.—The amendments made by
24 this section shall take effect on the date of the enactment
25 of this Act.

1 **SEC. 217. CROSS-MATCHING OF SOCIAL SECURITY AC-**
2 **COUNT NUMBER INFORMATION AND EM-**
3 **PLOYER IDENTIFICATION NUMBER INFORMA-**
4 **TION MAINTAINED BY THE DEPARTMENT OF**
5 **AGRICULTURE.**

6 (a) SOCIAL SECURITY ACCOUNT NUMBER INFORMA-
7 TION.—Clause (iii) of section 205(c)(2)(C) of the Social
8 Security Act (42 U.S.C. 405(c)(2)(C)) (as added by sec-
9 tion 1735(a)(3) of the Food, Agriculture, Conservation,
10 and Trade Act of 1990 (Public Law 101–624; 104 Stat.
11 3791)) is amended—

12 (1) by inserting “(I)” after “(iii)”; and

13 (2) by striking “The Secretary of Agriculture
14 shall restrict” and all that follows and inserting the
15 following:

16 “(II) The Secretary of Agriculture may share any in-
17 formation contained in any list referred to in subclause
18 (I) with any other agency or instrumentality of the United
19 States which otherwise has access to social security ac-
20 count numbers in accordance with this subsection or other
21 applicable Federal law, except that the Secretary of Agri-
22 culture may share such information only to the extent that
23 such Secretary determines such sharing would assist in
24 verifying and matching such information against informa-
25 tion maintained by such other agency or instrumentality.
26 Any such information shared pursuant to this subclause

1 may be used by such other agency or instrumentality only
2 for the purpose of effective administration and enforce-
3 ment of the Food Stamp Act of 1977 or for the purpose
4 of investigation of violations of other Federal laws or en-
5 forcement of such laws.

6 “(III) The Secretary of Agriculture, and the head of
7 any other agency or instrumentality referred to in this
8 subclause, shall restrict, to the satisfaction of the Sec-
9 retary of Health and Human Services, access to social se-
10 curity account numbers obtained pursuant to this clause
11 only to officers and employees of the United States whose
12 duties or responsibilities require access for the purposes
13 described in subclause (II).

14 “(IV) The Secretary of Agriculture, and the head of
15 any agency or instrumentality with which information is
16 shared pursuant to clause (II), shall provide such other
17 safeguards as the Secretary of Health and Human Serv-
18 ices determines to be necessary or appropriate to protect
19 the confidentiality of the social security account
20 numbers.”.

21 (b) EMPLOYER IDENTIFICATION NUMBER INFORMA-
22 TION.—Subsection (f) of section 6109 of the Internal Rev-
23 enue Code of 1986 (as added by section 1735(c) of the
24 Food, Agriculture, Conservation, and Trade Act of 1990
25 (Public Law 101–624; 104 Stat. 3792)) (relating to access

1 to employer identification numbers by Secretary of Agri-
2 culture for purposes of Food Stamp Act of 1977) is
3 amended—

4 (1) by striking paragraph (2) and inserting the
5 following:

6 “(2) SHARING OF INFORMATION AND SAFE-
7 GUARDS.—

8 “(A) SHARING OF INFORMATION.—The
9 Secretary of Agriculture may share any infor-
10 mation contained in any list referred to in para-
11 graph (1) with any other agency or instrumen-
12 tality of the United States which otherwise has
13 access to employer identification numbers in ac-
14 cordance with this section or other applicable
15 Federal law, except that the Secretary of Agri-
16 culture may share such information only to the
17 extent that such Secretary determines such
18 sharing would assist in verifying and matching
19 such information against information main-
20 tained by such other agency or instrumentality.
21 Any such information shared pursuant to this
22 subparagraph may be used by such other agen-
23 cy or instrumentality only for the purpose of ef-
24 fective administration and enforcement of the
25 Food Stamp Act of 1977 or for the purpose of

1 investigation of violations of other Federal laws
2 or enforcement of such laws.

3 “(B) SAFEGUARDS.—The Secretary of Ag-
4 riculture, and the head of any other agency or
5 instrumentality referred to in subparagraph
6 (A), shall restrict, to the satisfaction of the Sec-
7 retary of the Treasury, access to employer iden-
8 tification numbers obtained pursuant to this
9 subsection only to officers and employees of the
10 United States whose duties or responsibilities
11 require access for the purposes described in
12 subparagraph (A). The Secretary of Agri-
13 culture, and the head of any agency or instru-
14 mentality with which information is shared pur-
15 suant to subparagraph (A), shall provide such
16 other safeguards as the Secretary of the Treas-
17 ury determines to be necessary or appropriate
18 to protect the confidentiality of the employer
19 identification numbers.”;

20 (2) in paragraph (3), by striking “by the Sec-
21 retary of Agriculture pursuant to this subsection”
22 and inserting “pursuant to this subsection by the
23 Secretary of Agriculture or the head of any agency
24 or instrumentality with which information is shared
25 pursuant to paragraph (2)”, and by striking “social

1 security account numbers” and inserting “employer
2 identification numbers”; and

3 (3) in paragraph (4), by striking “by the Sec-
4 retary of Agriculture pursuant to this subsection”
5 and inserting “pursuant to this subsection by the
6 Secretary of Agriculture or any agency or instru-
7 mentality with which information is shared pursuant
8 to paragraph (2)”.

9 **SEC. 218. CERTAIN TRANSFERS TO RAILROAD RETIREMENT**

10 **ACCOUNT MADE PERMANENT.**

11 Subsection (c)(1)(A) of section 224 of the Railroad
12 Retirement Solvency Act of 1983 (relating to section 72(r)
13 revenue increase transferred to certain railroad accounts)
14 is amended by striking “with respect to benefits received
15 before October 1, 1992”.

16 **SEC. 219. AUTHORIZATION FOR USE OF SOCIAL SECURITY**

17 **ACCOUNT NUMBERS BY DEPARTMENT OF**

18 **LABOR IN ADMINISTRATION OF FEDERAL**

19 **WORKERS’ COMPENSATION LAWS.**

20 Section 205(c)(2)(C) of the Social Security Act (42
21 U.S.C. 405(c)(2)(C)) is amended by adding at the end the
22 following new clause:

23 “(ix) In the administration of the provisions of chap-
24 ter 81 of title 5, United States Code, and the Longshore
25 and Harbor Workers’ Compensation Act (33 U.S.C. 901

1 et seq.), the Secretary of Labor may require by regulation
2 that any person filing a notice of injury or a claim for
3 benefits under such provisions provide as part of such no-
4 tice or claim such person's social security account number,
5 subject to the requirements of this clause. No officer or
6 employee of the Department of Labor shall have access
7 to any such number for any purpose other than the estab-
8 lishment of a system of records necessary for the effective
9 administration of such provisions. The Secretary of Labor
10 shall restrict, to the satisfaction of the Secretary of Health
11 and Human Services, access to social security account
12 numbers obtained pursuant to this clause to officers and
13 employees of the United States whose duties or respon-
14 sibilities require access for the administration or enforce-
15 ment of such provisions. The Secretary of Labor shall pro-
16 vide such other safeguards as the Secretary of Health and
17 Human Services determines to be necessary or appropriate
18 to protect the confidentiality of the social security account
19 numbers.”.

20 **SEC. 220. COVERAGE UNDER FICA OF FEDERAL EMPLOY-**
21 **EES TRANSFERRED TEMPORARILY TO INTER-**
22 **NATIONAL ORGANIZATIONS.**

23 (a) TREATMENT OF SERVICE IN THE EMPLOY OF
24 INTERNATIONAL ORGANIZATIONS BY CERTAIN TRANS-
25 FERRED FEDERAL EMPLOYEES.—

1 (1) IN GENERAL.—Section 3121 of the Internal
2 Revenue Code of 1986 (relating to definitions) is
3 amended by adding at the end the following new
4 subsection:

5 “(y) SERVICE IN THE EMPLOY OF INTERNATIONAL
6 ORGANIZATIONS BY CERTAIN TRANSFERRED FEDERAL
7 EMPLOYEES.—

8 “(1) IN GENERAL.—For purposes of this chap-
9 ter, service performed in the employ of an inter-
10 national organization by an individual pursuant to a
11 transfer of such individual to such international or-
12 ganization pursuant to section 3582 of title 5,
13 United States Code, shall constitute ‘employment’
14 if—

15 “(A) immediately before such transfer,
16 such individual performed service with a Fed-
17 eral agency which constituted ‘employment’
18 under subsection (b) for purposes of the taxes
19 imposed by sections 3101(a) and 3111(a), and

20 “(B) such individual would be entitled,
21 upon separation from such international organi-
22 zation and proper application, to reemployment
23 with such Federal agency under such section
24 3582.

1 “(2) DEFINITIONS.—For purposes of this sub-
2 section—

3 “(A) FEDERAL AGENCY.—The term ‘Fed-
4 eral agency’ means an agency, as defined in
5 section 3581(1) of title 5, United States Code.

6 “(B) INTERNATIONAL ORGANIZATION.—
7 The term ‘international organization’ has the
8 meaning provided such term by section 3581(3)
9 of title 5, United States Code.”

10 (2) CONTRIBUTIONS BY FEDERAL AGENCY.—
11 Section 3122 of such Code (relating to Federal serv-
12 ice) is amended by inserting after the first sentence
13 the following new sentence: “In the case of the taxes
14 imposed by this chapter with respect to service per-
15 formed in the employ of an international organiza-
16 tion pursuant to a transfer to which the provisions
17 of section 3121(y) are applicable, the determination
18 of the amount of remuneration for such service, and
19 the return and payment of the taxes imposed by this
20 chapter, shall be made by the head of the Federal
21 agency from which the transfer was made.”

22 (3) COLLECTION OF EMPLOYEE CONTRIBU-
23 TIONS.—Section 3102 of such Code (relating to de-
24 duction of tax from wages) is amended by adding at
25 the end the following new subsection:

1 “(e) SPECIAL RULE FOR CERTAIN TRANSFERRED
2 FEDERAL EMPLOYEES.—In the case of any payments of
3 wages for service performed in the employ of an inter-
4 national organization pursuant to a transfer to which the
5 provisions of section 3121(y) are applicable—

6 “(1) subsection (a) shall not apply,

7 “(2) the head of the Federal agency from which
8 the transfer was made shall separately include on
9 the statement required under section 6051—

10 “(A) the amount determined to be the
11 amount of the wages for such service, and

12 “(B) the amount of the tax imposed by
13 section 3101 on such payments, and

14 “(3) the tax imposed by section 3101 on such
15 payments shall be paid by the employee.”

16 (4) EXCLUSION FROM TREATMENT AS TRADE
17 OR BUSINESS.—Paragraph (2)(C) of section 1402(c)
18 of such Code (defining trade or business) is amend-
19 ed by adding at the end the following: “except serv-
20 ice which constitutes ‘employment’ under section
21 3121(y),”.

22 (5) CONFORMING AMENDMENT.—Paragraph
23 (15) of section 3121(b) of such Code is amended by
24 inserting “, except service which constitutes ‘em-

1 employment’ under subsection (y)” after “organiza-
2 tion”.

3 (b) AMENDMENTS TO THE SOCIAL SECURITY ACT.—

4 (1) IN GENERAL.—Section 210 of the Social
5 Security Act (42 U.S.C. 410) is amended by adding
6 at the end the following new subsection:

7 “SERVICE IN THE EMPLOY OF INTERNATIONAL ORGANI-
8 ZATIONS BY CERTAIN TRANSFERRED FEDERAL EM-
9 PLOYEES

10 “(r)(1) For purposes of this title, service performed
11 in the employ of an international organization by an indi-
12 vidual pursuant to a transfer of such individual to such
13 international organization pursuant to section 3582 of
14 title 5, United States Code, shall constitute ‘employment’
15 if—

16 “(A) immediately before such transfer, such in-
17 dividual performed service with a Federal agency
18 which constituted ‘employment’ as defined in sub-
19 section (a), and

20 “(B) such individual would be entitled, upon
21 separation from such international organization and
22 proper application, to reemployment with such Fed-
23 eral agency under such section 3582.

24 “(2) For purposes of this subsection:

1 “(A) The term ‘Federal agency’ means an agen-
2 cy, as defined in section 3581(1) of title 5, United
3 States Code.

4 “(B) The term ‘international organization’ has
5 the meaning provided such term by section 3581(3)
6 of title 5, United States Code.”

7 (2) EXCLUSION FROM TREATMENT AS TRADE
8 OR BUSINESS.—Section 211(c)(2)(C) of such Act
9 (42 U.S.C. 411(c)(2)(C)) is amended by inserting
10 before the semicolon the following “, except service
11 which constitutes ‘employment’ under section
12 210(r)”.

13 (3) CONFORMING AMENDMENT.—Section
14 210(a)(15) of such Act (42 U.S.C. 410(a)(15)) is
15 amended by inserting “, except service which con-
16 stitutes ‘employment’ under subsection (r)” before
17 the semicolon.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply with respect to service performed
20 after the calendar quarter following the calendar quarter
21 in which the date of the enactment of this Act occurs.

1 **SEC. 221. EXTEND THE FICA TAX EXEMPTION AND CERTAIN**
2 **TAX RULES TO INDIVIDUALS WHO ENTER**
3 **THE UNITED STATES UNDER A VISA ISSUED**
4 **UNDER SECTION 101 OF THE IMMIGRATION**
5 **AND NATIONALITY ACT.**

6 (a) AMENDMENTS TO THE INTERNAL REVENUE
7 CODE OF 1986.—

8 (1) The following provisions of the Internal
9 Revenue Code of 1986 are each amended by striking
10 “(J), or (M)” each place it appears and inserting
11 “(J), (M), or (Q)”:

12 (A) Section 871(c).

13 (B) Section 1441(b).

14 (C) Section 3121(b)(19).

15 (D) Section 3231(e)(1).

16 (E) Section 3306(c)(19).

17 (2) Paragraph (3) of section 872(b) of such
18 Code is amended by striking “(F) or (J)” and in-
19 serting “(F), (J), or (Q)”.

20 (3) Paragraph (5) of section 7701(b) of such
21 Code is amended by striking “subparagraph (J)” in
22 subparagraphs (C)(i) and (D)(i)(II) and inserting
23 “subparagraph (J) or (Q)”.

24 (b) AMENDMENT TO SOCIAL SECURITY ACT.—Para-
25 graph (19) of section 210(a) of the Social Security Act

1 is amended by striking “(J), or (M)” each place it appears
2 and inserting “(J), (M), or (Q)”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this subsection shall take effect with the calendar quarter
5 following the date of the enactment of this Act.

6 **SEC. 222. STUDY OF RISING COSTS OF DISABILITY INSUR-**
7 **ANCE BENEFITS.**

8 (a) IN GENERAL.—As soon as practicable after the
9 date of the enactment of this Act, the Secretary of Health
10 and Human Services shall conduct a comprehensive study
11 of the reasons for rising costs payable from the Federal
12 Disability Insurance Trust Fund.

13 (b) MATTERS TO BE INCLUDED IN STUDY.—In con-
14 ducting the study under this section, the Secretary shall—

15 (1) determine the relative importance of the fol-
16 lowing factors in increasing the costs payable from
17 the Trust Fund:

18 (A) increased numbers of applications for
19 benefits;

20 (B) higher rates of benefit allowances; and

21 (C) decreased rates of benefit terminations;

22 and

23 (2) identify, to the extent possible, underlying
24 social, economic, demographic, programmatic, and

1 other trends responsible for changes in disability
2 benefit applications, allowances, and terminations.

3 (c) REPORT.—Not later than December 31, 1994, the
4 Secretary shall transmit a report to the Committee on
5 Ways and Means of the House of Representatives and the
6 Committee on Finance of the Senate setting forth the re-
7 sults of the study conducted under this section, together
8 with any recommendations for legislative changes which
9 the Secretary determines appropriate.

10 **SEC. 223. COMMISSION ON CHILDHOOD DISABILITY.**

11 (a) ESTABLISHMENT OF COMMISSION.—The Sec-
12 retary of Health and Human Services (in this section re-
13 ferred to as the “Secretary”) shall appoint a Commission
14 on the Evaluation of Disability in Children (in this section
15 referred to as the “Commission”).

16 (b) APPOINTMENT OF MEMBERS.—(1) The Secretary
17 shall appoint not less than 9 but not more than 15 mem-
18 bers to the Commission, including—

19 (A) recognized experts in the field of medicine,
20 whose work involves—

21 (i) the evaluation and treatment of disabil-
22 ity in children,

23 (ii) the study of congenital, genetic, or
24 perinatal disorders in children, or

1 (iii) the measurement of developmental
2 milestones and developmental deficits in chil-
3 dren; and

4 (B) recognized experts in the fields of—

5 (i) psychology,

6 (ii) education and rehabilitation,

7 (iii) law,

8 (iv) the administration of disability pro-
9 grams,

10 (v) social insurance (including health in-
11 surance), and

12 (vi) other fields of expertise that the Sec-
13 retary determines to be appropriate.

14 (2) Members shall be appointed by January 1, 1995,
15 without regard to the provisions of title 5, United States
16 Code, governing appointments to competitive service.

17 (3) Members appointed under this subsection shall
18 serve for a term equivalent to the duration of the Commis-
19 sion.

20 (4) The Secretary shall designate a member of the
21 Commission to serve as Chair of the Commission for a
22 term equivalent to the duration of the Commission.

23 (c) ADMINISTRATIVE PROVISIONS.—(1) Service as a
24 member of the Commission by an individual who is not
25 otherwise a Federal employee shall not be considered serv-

1 ice in an appointive or elective position in the Federal Gov-
2 ernment for the purposes of title 5, United States Code.

3 (2) Each member of the Commission who is not a
4 full-time Federal employee shall be paid compensation at
5 a rate equal to the daily equivalent of the rate of basic
6 pay in effect for Level IV of the Executive Schedule for
7 each day (including travel time) the member attends meet-
8 ings or otherwise performs the duties of the Commission.

9 (3) While away from their homes or regular places
10 of business on the business of the Commission, each mem-
11 ber who is not a full-time Federal employee may be al-
12 lowed travel expenses, including per diem in lieu of sub-
13 sistence, as authorized by section 5703 of title 5, United
14 States Code, for persons employed intermittently in the
15 Government service.

16 (d) ASSISTANCE TO COMMISSION.—The Commission
17 may engage individuals skilled in medical and other as-
18 pects of childhood disability to provide such technical as-
19 sistance as may be necessary to carry out the functions
20 of the Commission. The Secretary shall make available to
21 the Commission such secretarial, clerical, and other assist-
22 ance as the Commission may require to carry out the func-
23 tions of the Commission.

24 (e) STUDY BY THE COMMISSION.—(1) The Commis-
25 sion shall conduct a study, in consultation with the Na-

1 tional Academy of Sciences, of the effects of the definition
2 of “disability” under title XVI of the Social Security Act
3 (42 U.S.C. 1382 et seq.) in effect on the date of enactment
4 of this Act, as such definition applies to determining
5 whether a child under the age of 18 is eligible to receive
6 benefits under such title, the appropriateness of such defi-
7 nition, and the advantages and disadvantages of using any
8 alternative definition of disability in determining whether
9 a child under age 18 is eligible to receive benefits under
10 such title.

11 (2) The study described in paragraph (1) shall in-
12 clude issues of—

13 (A) whether the need by families for assistance
14 in meeting high costs of medical care for children
15 with serious physical or mental impairments, wheth-
16 er or not they are eligible for disability benefits
17 under title XVI of the Social Security Act, might ap-
18 propriately be met through expansion of Federal
19 health assistance programs (including the program
20 of medical assistance under title XIX of such Act);

21 (B) the feasibility of providing benefits to chil-
22 dren through noncash means, including but not lim-
23 ited to vouchers, debit cards, and electronic benefit
24 transfer systems;

1 (C) the extent to which the Social Security Ad-
2 ministration can involve private organizations in an
3 effort to increase the provision of social services,
4 education, and vocational instruction with the aim of
5 promoting independence and the ability to engage in
6 substantial gainful activity;

7 (D) the feasibility of providing retroactive sup-
8 plemental security income benefits pursuant to the
9 decision in *Sullivan v. Zebley*, 110 S. Ct. 2658
10 (1990), on a prorated basis or by means of a
11 packaged trust;

12 (E) methods to increase the extent to which
13 benefits are used in the effort to assist the child
14 achieve independence and engage in substantial
15 gainful activity; and

16 (F) such other issues that the Secretary deter-
17 mines to be appropriate.

18 (f) REPORT.—Not later than November 30, 1995, the
19 Commission shall prepare a report and submit such report
20 to the Committee on Ways and Means of the House of
21 Representatives and the Committee on Finance of the
22 Senate which shall summarize the results of the study de-
23 scribed in subsection (e) and include any recommendations
24 that the Commission determines to be appropriate.

1 **SEC. 224. DISREGARD DEEMED INCOME AND RESOURCES**
2 **OF INELIGIBLE SPOUSE IN DETERMINING**
3 **CONTINUED ELIGIBILITY UNDER SECTION**
4 **1619(b).**

5 (a) IN GENERAL.—Section 1619(b)(2) of the Social
6 Security Act (42 U.S.C. 1382h(b)(2)) is amended by add-
7 ing at the end the following:

8 “(C)(i)(I) For purposes of paragraph (1), in deter-
9 mining the earnings of an individual whose spouse is not
10 an eligible individual, there shall be disregarded the net
11 income of the spouse to the extent such net income does
12 not exceed an amount equal to twice the threshold amount
13 determined for the individual.

14 “(II) As used in subclause (I), the term ‘threshold
15 amount’ means, with respect to an individual—

16 “(aa) \$85, plus twice the amount of benefits
17 payable under this title (including federally adminis-
18 tered State supplementary payments) to an individ-
19 ual who is living in his or her own household and
20 who has no other income, plus the average amount
21 expended per individual, under the State plan ap-
22 proved under title XIX by the State in which the in-
23 dividual resides, on individuals who are recipients of
24 benefits under this title by reason of disability; or

25 “(bb) if the gross earnings of the individual ex-
26 ceeds the amount described in item (aa), the amount

1 that would be sufficient to allow the individual to
2 provide for himself or herself a reasonable equivalent
3 of benefits and services described in paragraph
4 (1)(D).

5 “(ii) For purposes of paragraph (1)(A), in determin-
6 ing the resources of an individual whose spouse is not an
7 eligible individual, there shall be disregarded the resources
8 of the spouse to the extent the amount of such resources
9 does not exceed the community spouse resource allowance
10 (as defined in section 1924(f)(2)) of the State in which
11 the individual resides.”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 subsection (a) shall take effect on October 1, 1995.

14 **SEC. 225. PLANS FOR ACHIEVING SELF-SUPPORT NOT DIS-**
15 **APPROVED WITHIN 60 DAYS TO BE DEEMED**
16 **APPROVED.**

17 (a) AMENDMENTS TO INCOME EXCLUSION RULES.—
18 Section 1612(b)(4) of the Social Security Act (42 U.S.C.
19 1382a(b)(4)(A)) is amended in each of subparagraphs (A)
20 and (B) by inserting “and, for purposes of this clause,
21 a completed plan for achieving self-support which is not
22 disapproved by the Board within 60 days after the date
23 of submission shall be deemed to be approved by the
24 Board until subsequently disapproved by the Board (with
25 appropriate notification to the individual),” after “plan,”.

1 (b) AMENDMENT TO RESOURCE EXCLUSION
2 RULE.—Section 1613(a)(4) of such Act (42 U.S.C.
3 1382b(a)(4)) is amended by inserting “, and, for purposes
4 of this paragraph, a completed plan for achieving self-sup-
5 port which is not disapproved by the Board within 60 days
6 after the date of submission shall be deemed to be ap-
7 proved by the Board until 6 months after subsequently
8 disapproved by the Board (with appropriate notification
9 to the individual)” after “such plan”.

10 (c) EFFECTIVE DATE.—The amendments made by
11 this section shall take effect on January 1, 1995.

12 **SEC. 226. TEMPORARY AUTHORITY TO APPROVE A LIMITED**
13 **NUMBER OF PLANS FOR ACHIEVING SELF-**
14 **SUPPORT THAT INCLUDE HOUSING GOALS.**

15 (a) IN GENERAL.—During the 42-month period that
16 begins on January 1, 1995, the Board may, under title
17 XVI of the Social Security Act, approve not more than
18 20 percent of the plans for achieving self-support that in-
19 clude a housing goal.

20 (b) REPORT.—Within 12 months after the end of the
21 5-year period that begins on January 1, 1995, the Board
22 shall submit to the Congress a report on the activities
23 under subsection (a).

1 **SEC. 227. REGULATIONS REGARDING COMPLETION OF**
2 **PLANS FOR ACHIEVING SELF-SUPPORT.**

3 (a) IN GENERAL.—Section 1633 of the Social Secu-
4 rity Act (42 U.S.C. 1383b) is amended by adding at the
5 end the following:

6 “(d) The Board shall establish by regulation time
7 limits and other criteria related to individuals’ plans for
8 achieving self-support, that take into account the difficulty
9 of achieving self-support based on the needs of individuals
10 and the goals of the plan.”.

11 (b) EFFECTIVE DATE.—The amendment made by
12 subsection (a) shall take effect on January 1, 1995.

13 **SEC. 228. TREATMENT OF CERTAIN GRANT, SCHOLARSHIP,**
14 **OR FELLOWSHIP INCOME AS EARNED IN-**
15 **COME FOR SSI PURPOSES.**

16 (a) IN GENERAL.—Section 1612(a)(1) of the Social
17 Security Act (42 U.S.C. 1382a(a)(1)) is amended—

18 (1) by striking “and” at the end of subpara-
19 graph (D); and

20 (2) by adding at the end the following:

21 “(F) any grant, scholarship, or fellow-
22 ship.”.

23 (b) EFFECTIVE DATE.—The amendments made by
24 subsection (a) shall apply to eligibility and benefit deter-
25 minations for any month that begins after the 2nd month
26 after the month in which this Act is enacted.

1 **SEC. 229. SSI ELIGIBILITY FOR STUDENTS TEMPORARILY**
2 **ABROAD.**

3 (a) IN GENERAL.—Section 1611(f) of the Social Se-
4 curity Act (42 U.S.C. 1382(f)) is amended—

5 (1) by inserting “(1)” after “(f)”; and

6 (2) by adding after and below the end the fol-
7 lowing:

8 “(2) The first sentence of paragraph (1) shall not
9 apply to any individual who—

10 “(A) was eligible to receive a benefit under this
11 title for the month immediately preceding the first
12 month during all of which the individual was outside
13 the United States; and

14 “(B) demonstrates to the satisfaction of the
15 Board that the absence of the individual from the
16 United States is—

17 “(i) temporary; and

18 “(ii) for the purpose of conducting studies
19 as part of an educational program that is de-
20 signed to prepare the individual for gainful em-
21 ployment, and is sponsored by a school, college,
22 or university in the United States.”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 subsection (a) shall take effect on January 1, 1995.

1 **SEC. 230. DISREGARD OF COST-OF-LIVING INCREASES FOR**
2 **CONTINUED ELIGIBILITY FOR WORK INCEN-**
3 **TIVES.**

4 (a) IN GENERAL.—Section 1619(b)(1)(B) of the So-
5 cial Security Act (42 U.S.C. 1382h(b)(1)(B)) is amended
6 by inserting “and increases pursuant to section 215(i) in
7 the level of monthly insurance benefits to which the indi-
8 vidual is entitled under title II that occur while such indi-
9 vidual is considered to be receiving supplemental security
10 income benefits by reason of this subsection” after “earn-
11 ings”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 subsection (a) shall apply to eligibility determinations for
14 months after December 1994.

15 **SEC. 231. EXPANSION OF THE AUTHORITY OF THE SOCIAL**
16 **SECURITY ADMINISTRATION TO PREVENT,**
17 **DETECT, AND TERMINATE FRAUDULENT**
18 **CLAIMS FOR SSI BENEFITS.**

19 (a) PREVENTION OF FRAUD IN THE SSI PROGRAM
20 BY TRANSLATORS OF FOREIGN LANGUAGES.—

21 (1) IN GENERAL.—Section 1631(e) of the So-
22 cial Security Act (42 U.S.C. 1383(e)) is amended by
23 inserting after paragraph (3) the following:

24 “(4) A translation into English by a third party of
25 a statement made in a foreign language by an applicant
26 for or recipient of benefits under this title shall not be

1 regarded as reliable unless the third party, under penalty
2 of perjury—

3 “(A) certifies that the translation is accurate;
4 and

5 “(B) discloses the nature and scope of the rela-
6 tionship between the third party and the applicant
7 or recipient, as the case may be.”.

8 (2) EFFECTIVE DATE.—The amendment made
9 by paragraph (1) shall take effect on October 1,
10 1994.

11 (b) CIVIL MONETARY PENALTIES, ASSESSMENTS,
12 AND EXCLUSIONS FOR TITLE XVI.—

13 (1) IN GENERAL.—Title XI of the Social Secu-
14 rity Act (42 U.S.C. 1301–1320b–14) is amended by
15 inserting after section 1128B the following:

16 **“SEC. 1129. CIVIL MONETARY PENALTIES AND ASSESS-**
17 **MENTS FOR TITLE XVI.**

18 “(a) Any person (including an organization, agency,
19 or other entity) who makes, or causes to be made, a state-
20 ment or representation of a material fact for use in deter-
21 mining any initial or continuing right to benefits or pay-
22 ments under title XVI that the person knows or should
23 know is false or misleading or knows or should know omits
24 a material fact shall be subject to, in addition to any other
25 penalties that may be prescribed by law, a civil money pen-

1 alty of not more than \$5,000 for each such statement or
2 representation. Such person also shall be subject to an as-
3 sessment, in lieu of damages sustained by the United
4 States because of such statement or representation, of not
5 more than twice the amount of benefits or payments paid
6 as a result of such a statement or representation. In addi-
7 tion, the Board may make a determination in the same
8 proceeding to exclude the person from participation in the
9 programs under title XVIII and to direct the appropriate
10 State agency to exclude the person from participation in
11 any State health care program.

12 “(b)(1) The Board may initiate a proceeding to deter-
13 mine whether to impose a civil money penalty, assessment,
14 or exclusion under subsection (a) only as authorized by
15 the Attorney General pursuant to procedures agreed upon
16 by the Board and the Attorney General. The Board may
17 not initiate an action under this section with respect to
18 any violation described in subsection (a) later than 6 years
19 after the date the violation was committed. The Board
20 may initiate an action under this section by serving notice
21 of the action in any manner authorized by Rule 4 of the
22 Federal Rules of Civil Procedure.

23 “(2) The Board shall not make a determination ad-
24 verse to any person under this section until the person
25 has been given written notice and an opportunity for the

1 determination to be made on the record after a hearing
2 at which the person is entitled to be represented by coun-
3 sel, to present witnesses, and to cross-examine witnesses
4 against the person.

5 “(3) In a proceeding under this section which—

6 “(A) is against a person who has been convicted
7 (whether upon a verdict after trial or upon a plea of
8 guilty or nolo contendere) of a Federal crime charg-
9 ing fraud or false statements; and

10 “(B) involves the same transaction as in the
11 criminal action;

12 the person is estopped from denying the essential elements
13 of the criminal offense.

14 “(4) The official conducting a hearing under this sec-
15 tion may sanction a person, including any party or attor-
16 ney, for failing to comply with an order or procedure, fail-
17 ing to defend an action, or other misconduct as would
18 interfere with the speedy, orderly, or fair conduct of the
19 hearing. Such sanction shall reasonably relate to the sever-
20 ity and nature of the failure or misconduct. Such sanction
21 may include—

22 “(A) in the case of refusal to provide or permit
23 discovery, drawing negative factual inference or
24 treating such refusal as an admission by deeming
25 the matter, or certain facts, to be established;

1 “(B) prohibiting a party from introducing cer-
2 tain evidence or otherwise supporting a particular
3 claim or defense;

4 “(C) striking pleadings, in whole or in part;

5 “(D) staying the proceedings;

6 “(E) dismissal of the action;

7 “(F) entering a default judgment;

8 “(G) ordering the party or attorney to pay at-
9 torneys’ fees and other costs caused by the failure
10 or misconduct; and

11 “(H) refusing to consider any motion or other
12 action which is not filed in a timely manner.

13 “(c) In determining the amount or scope of any pen-
14 alty, assessment, or exclusion imposed pursuant to this
15 section, the Board shall take into account—

16 “(1) the nature of the statements and represen-
17 tations referred to in subsection (a) and the cir-
18 cumstances under which they occurred;

19 “(2) the degree of culpability, history of prior
20 offenses, and financial condition of the person com-
21 mitting the offense; and

22 “(3) such other matters as justice may require.

23 “(d)(1) Any person adversely affected by a deter-
24 mination of the Board under this section may obtain a
25 review of such determination in the United States Court

1 of Appeals for the circuit in which the person resides, or
2 in which the statement or representation referred to in
3 subsection (a) was made, by filing in such court (within
4 60 days following the date the person is notified of the
5 Board's determination) a written petition requesting that
6 the determination be modified or set aside. A copy of the
7 petition shall be forthwith transmitted by the clerk of the
8 court to the Board, and thereupon the Board shall file
9 in the court the record in the proceeding as provided in
10 section 2112 of title 28, United States Code. Upon such
11 filing, the court shall have jurisdiction of the proceeding
12 and of the question determined therein, and shall have the
13 power to make and enter upon the pleadings, testimony,
14 and proceedings set forth in such record a decree affirm-
15 ing, modifying, remanding for further consideration, or
16 setting aside, in whole or in part, the determination of
17 the Board and enforcing the same to the extent that such
18 order is affirmed or modified. No objection that has not
19 been urged before the Board shall be considered by the
20 court, unless the failure or neglect to urge such objection
21 shall be excused because of extraordinary circumstances.

22 “(2) The findings of the Board with respect to ques-
23 tions of fact, if supported by substantial evidence on the
24 record considered as a whole, shall be conclusive in the
25 review described in paragraph (1). If any party shall apply

1 to the court for leave to adduce additional evidence and
2 shall show to the satisfaction of the court that such addi-
3 tional evidence is material and that there were reasonable
4 grounds for the failure to adduce such evidence in the
5 hearing before the Board, the court may order such addi-
6 tional evidence to be taken before the Board and to be
7 made a part of the record. The Board may modify its find-
8 ings as to the facts, or make new findings, by reason of
9 additional evidence so taken and filed, and the Board shall
10 file with the court such modified or new findings, which
11 findings with respect to questions of fact, if supported by
12 substantial evidence on the record considered as a whole
13 shall be conclusive, and his recommendations, if any, for
14 the modification or setting aside of his original order.

15 “(3) Upon the filing of the record with the Board’s
16 original or modified order, the jurisdiction of the court
17 shall be exclusive and its judgment and decree shall be
18 final, except that the same shall be subject to review by
19 the Supreme Court of the United States, as provided in
20 section 1254 of title 28, United States Code.

21 “(e)(1) Civil money penalties and assessments im-
22 posed under this section may be compromised by the
23 Board and may be recovered—

24 “(A) in a civil action in the name of the United
25 States brought in United States district court for

1 the district where the statement or representation
2 referred to in subsection (a) was made, or where the
3 person resides, as determined by the Board;

4 “(B) by means of reduction in tax refunds to
5 which the person is entitled, based on notice to the
6 Secretary of the Treasury as permitted under sec-
7 tion 3720A of title 31, United States Code;

8 “(C) by decrease of any payment under title
9 XVI to which the person is entitled, notwithstanding
10 section 207 of this Act, as made applicable to this
11 title by reason of section 1631(d)(1);

12 “(D) by authorities provided under the Debt
13 Collection Act of 1982, as amended, to the extent
14 applicable to debts arising under the Social Security
15 Act;

16 “(E) by deduction of the amount of such pen-
17 alty or assessment, when finally determined, or the
18 amount agreed upon in compromise, from any sum
19 then or later owing by the United States to the per-
20 son against whom the penalty or assessment has
21 been assessed; or

22 “(F) by any combination of the foregoing.

23 “(f) A determination by the Board to impose a pen-
24 alty, assessment, or exclusion under this section shall be
25 final upon the expiration of the 60-day period referred to

1 in subsection (d). Matters that were raised or that could
2 have been raised in a hearing before the Board or in an
3 appeal pursuant to subsection (d) may not be raised as
4 a defense to a civil action by the United States to collect
5 a penalty and assessment imposed under this section.

6 “(g) Whenever the Board’s determination to impose
7 a penalty, assessment, or exclusion under this section with
8 respect to a medical provider or physician becomes final,
9 the provisions of section 1128A(h) shall apply.

10 “(h) Whenever the Board has reason to believe that
11 any person has engaged, is engaging, or is about to engage
12 in any activity which makes the person subject to a civil
13 monetary penalty under this section, the Board may bring
14 an action in an appropriate district court of the United
15 States (or, if applicable, a United States court of any ter-
16 ritory) to enjoin such activity, or to enjoin the person from
17 concealing, removing, encumbering, or disposing of assets
18 which may be required in order to pay a civil monetary
19 penalty and assessment if any such penalty were to be im-
20 posed or to seek other appropriate relief.

21 “(i)(1) The provisions of subsections (d) and (e) of
22 section 205 shall apply with respect to this section to the
23 same extent as they are applicable with respect to title
24 II. The Board may delegate the authority granted by sec-
25 tion 205(d) (as made applicable to this section) to the In-

1 spector General of the Department of Health and Human
2 Services for purposes of any investigation under this sec-
3 tion.

4 “(2) The Board may delegate authority granted
5 under this section to the Inspector General of the Social
6 Security Administration.

7 “(j) For purposes of this section, the term ‘State
8 agency’ shall have the same meaning as in section
9 1128A(i)(1).

10 “(k) A principal is liable for penalties, assessments,
11 and exclusions under this section for the actions of the
12 principal’s agent acting within the scope of the agency.”.

13 (2) CONFORMING AMENDMENTS.—Section 1128
14 of such Act (42 U.S.C. 1320a–7) is amended—

15 (A) in subsection (b)(7), by striking “or
16 section 1128B” and inserting “, section 1128B,
17 or section 1129”;

18 (B) in subsection (b)(8)(B)(ii), by insert-
19 ing “and section 1129” after “section 1128A”;

20 (C) in subsection (c)(1), by striking “or
21 under section 1128A” and inserting “, section
22 1128A, or section 1129”;

23 (D) in subsection (c)(3)(A), by inserting
24 “or section 1129” after “section 1128A”;

1 (E) in subsection (d)(1), by striking “and
2 section 1128A” and inserting “, section 1128A,
3 and section 1129”;

4 (F) in subsection (d)(2)(A), by striking “or
5 section 1128A” and inserting “, section 1128A,
6 or section 1129”;

7 (G) in subsection (e)(1), by striking “or
8 section 1128A” and inserting “, section 1128A,
9 or section 1129”;

10 (H) in subsection (f)(3), by inserting “,
11 1129,” after “sections 1128A”;

12 (I) in subsection (g)(1), by striking “or
13 section 1128A” each place such term appears
14 and inserting “, section 1128A, or section
15 1129”;

16 (J) in subsection (g)(2)(A), by inserting
17 “and section 1129(a)” after “section
18 1128A(a)”; and

19 (K) in subsection (h), by striking “1128A
20 and 1128B” and inserting “1128A, 1128B, and
21 1129”.

22 (c) SSI FRAUD CONSIDERED A FELONY.—

23 (1) IN GENERAL.—Section 1632(a) of the So-
24 cial Security Act (42 U.S.C. 1383a(a)) is amended
25 by striking “shall” the 1st place such term appears

1 and all that follows and inserting “shall be fined
2 under title 18, United States Code, imprisoned not
3 more than 5 years, or both.”.

4 (2) CONFORMING AMENDMENT.—Section
5 1632(b) of such Act (42 U.S.C. 1383a(b)) is amend-
6 ed to read as follows:

7 “(b)(1) If a person or entity violates subsection (a)
8 in the person’s or entity’s role as, or in applying to be-
9 come, a payee under section 1631(a)(2) on behalf of an-
10 other individual (other than the person’s eligible spouse),
11 and the violation includes a willful misuse of funds by the
12 person or entity, the court may also require that full or
13 partial restitution of funds be made to such other individ-
14 ual.

15 “(2) Any person or entity convicted of a violation of
16 subsection (a) of this section or of section 208 may not
17 be certified as a payee under section 1631(a)(2).”.

18 (d) AUTHORITY TO REDETERMINE ELIGIBILITY IN
19 DISABILITY CASES IF FRAUD IS INVOLVED, AND TO TER-
20 MINATE BENEFITS IF THERE IS INSUFFICIENT RELIABLE
21 EVIDENCE OF DISABILITY.—

22 (1) IN GENERAL.—Section 1631(e) of the So-
23 cial Security Act (42 U.S.C. 1383(e)) is amended by
24 adding at the end the following:

1 “(6)(A) The Board shall immediately redetermine the
2 eligibility of an individual for benefits under this title by
3 reason of disability, disregarding any unreliable evidence
4 of disability, if there is reason to believe that fraud was
5 involved in the application of the individual for such bene-
6 fits, unless a United States attorney, or equivalent State
7 prosecutor, with jurisdiction over potential or actual relat-
8 ed criminal cases, certifies, in writing, that there is a sub-
9 stantial risk that redetermining such eligibility would jeop-
10 ardize the criminal prosecution of any person who is a sub-
11 ject of the investigation from which the information is de-
12 rived.

13 “(B) If, after redetermining the eligibility of an indi-
14 vidual for benefits under this title by reason of disability,
15 the Board determines that there is insufficient reliable evi-
16 dence of disability, the Board may terminate such eligi-
17 bility.”.

18 (2) EFFECTIVE DATE.—The amendment made
19 by paragraph (1) shall take effect on October 1,
20 1994, and shall apply to eligibility determinations
21 made before, on, or after such date.

22 (e) AVAILABILITY OF RECIPIENT IDENTIFYING IN-
23 FORMATION FROM THE INSPECTOR GENERAL, SOCIAL
24 SECURITY ADMINISTRATION.—

1 (1) IN GENERAL.—Section 1631(e) of the So-
2 cial Security Act (42 U.S.C. 1383(e)), as amended
3 by subsection (d) of this section, is amended by add-
4 ing at the end the following:

5 “(7) As soon as the Inspector General, Social Secu-
6 rity Administration, has reason to believe that fraud was
7 involved in the application of a recipient for benefits under
8 this title, the Inspector General shall make available to
9 the Board information identifying the recipient, unless a
10 United States attorney, or equivalent State prosecutor,
11 with jurisdiction over potential or actual related criminal
12 cases, certifies, in writing, that there is a substantial risk
13 that making the information so available or redetermining
14 the eligibility of the recipient for such benefits would jeop-
15 ardize the criminal prosecution of any person who is a sub-
16 ject of the investigation from which the information is de-
17 rived.”.

18 (2) EFFECTIVE DATE.—The amendment made
19 by paragraph (1) shall take effect on October 1,
20 1994.

21 (f) AUTHORITY TO USE AVAILABLE PREADMISSION
22 IMMIGRANT AND REFUGEE MEDICAL INFORMATION.—

23 (1) IN GENERAL.—Section 1631(e) of the So-
24 cial Security Act (42 U.S.C. 1383(e)), as amended

1 by the preceding provisions of this Act, is amended
2 by adding at the end the following:

3 “(8) The Board shall request the Immigration and
4 Naturalization Service and the Centers for Disease Con-
5 trol to provide the Board with whatever medical informa-
6 tion either such entity has with respect to any alien who
7 has applied for benefits under this title to the extent that
8 the information is relevant to any determination relating
9 to such eligibility.”.

10 (2) EFFECTIVE DATE.—The amendment made
11 by paragraph (1) shall take effect on October 1,
12 1994.

13 (g) ANNUAL REPORTS ON REVIEWS OF SSI CASES.—
14 The Board shall annually submit to the Committee on
15 Ways and Means of the House of Representatives and the
16 Committee on Finance of the Senate a report on the ex-
17 tent to which the Board has exercised its authority to re-
18 view supplemental security income cases under title XVI
19 of the Social Security Act, and the extent to which the
20 cases reviewed were those that involved a high likelihood
21 or probability of fraud.

1 **SEC. 232. DISABILITY REVIEW REQUIRED FOR SSI RECIPI-**
2 **ENTS WHO ARE 18 YEARS OF AGE.**

3 (a) IN GENERAL.—Section 1614(a)(3)(G) of the So-
4 cial Security Act (42 U.S.C. 1382c(a)(3)(G)) is amend-
5 ed—

6 (1) by inserting “(i)” after “(G)”; and

7 (2) by adding after and below the end the fol-
8 lowing:

9 “(ii)(I) During the 1-year period that begins on the
10 date a recipient of benefits under this title by reason of
11 disability attains 18 years of age, the applicable State
12 agency or the Board (as may be appropriate) shall redeter-
13 mine the eligibility of the recipient for such benefits by
14 reason of disability, by applying the criteria used in deter-
15 mining eligibility for such benefits of applicants who have
16 attained 18 years of age.

17 “(II) A review under subclause (I) of this clause shall
18 be considered a substitute for a review required under
19 clause (i).”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall apply to individuals who attain 18
22 years of age in or after the 9th month after the month
23 in which this Act is enacted.

1 **SEC. 233. CONTINUING DISABILITY REVIEWS.**

2 (a) IN GENERAL.—Section 1614(a)(3)(G) of such
3 Act (42 U.S.C. 1382c(a)(3)(G)) is amended by inserting
4 “221(i),” after “221(h),”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 subsection (A) shall take effect on October 1, 1995.

7 **SEC. 234. TECHNICAL AND CLERICAL AMENDMENTS.**

8 (a) AMENDMENTS TO TITLE II OF THE SOCIAL SE-
9 CURITY ACT.—

10 (1) Section 201(a) of the Social Security Act
11 (42 U.S.C. 401(a)) is amended, in the matter follow-
12 ing clause (4), by striking “and and” and inserting
13 “and”.

14 (2) Section 202(d)(8)(D)(ii) of such Act (42
15 U.S.C. 402(d)(8)(D)(ii)) is amended by adding a pe-
16 riod at the end and by adjusting the left hand
17 margination thereof so as to align with section
18 202(d)(8)(D)(i) of such Act.

19 (3) Section 202(q)(1)(A) of such Act (42
20 U.S.C. 402(q)(1)(A)) is amended by striking the
21 dash at the end.

22 (4) Section 202(q)(9) of such Act (42 U.S.C.
23 402(q)(9)) is amended, in the matter preceding sub-
24 paragraph (A), by striking “parargaph” and insert-
25 ing “paragraph”.

1 (5) Section 202(t)(4)(D) of such Act (42
2 U.S.C. 402(t)(4)(D)) is amended by inserting “if
3 the” before “Secretary” the second and third places
4 it appears.

5 (6) Clauses (i) and (ii) of section 203(f)(5)(C)
6 of such Act (42 U.S.C. 403(f)(5)(C)) are amended
7 by adjusting the left-hand margination thereof so as
8 to align with clauses (i) and (ii) of section
9 203(f)(5)(B) of such Act.

10 (7) Paragraph (3)(A) and paragraph (3)(B) of
11 section 205(b) of such Act (42 U.S.C. 405(b)) are
12 amended by adjusting the left-hand margination
13 thereof so as to align with the matter following
14 section 205(b)(2)(C) of such Act.

15 (8) Section 205(c)(2)(B)(iii) of such Act (42
16 U.S.C. 405(c)(2)(B)(iii)) is amended by striking
17 “non-public” and inserting “nonpublic”.

18 (9) Section 205(c)(2)(C) of such Act (42 U.S.C.
19 405(c)(2)(C)) is amended—

20 (A) by striking the clause (vii) added by
21 section 2201(c) of Public Law 101-624;

22 (B) by redesignating the clause (iii) added
23 by section 2201(b)(3) of Public Law 101-624,
24 clause (iv), clause (v), clause (vi), and the
25 clause (vii) added by section 1735(b) of Public

1 Law 101–624 as clause (iv), clause (v), clause
2 (vi), clause (vii), and clause (viii), respectively;

3 (C) in clause (v) (as redesignated), by
4 striking “subclause (I) of”, and by striking
5 “subclause (II) of clause (i)” and inserting
6 “clause (ii)”; and

7 (D) in clause (viii)(IV) (as redesignated),
8 by inserting “a social security account number
9 or” before “a request for”.

10 (10) The heading for section 205(j) of such Act
11 (42 U.S.C. 405(j)) is amended to read as follows:

12 “Representative Payees”.

13 (11) The heading for section 205(s) of such Act
14 (42 U.S.C. 405(s)) is amended to read as follows:

15 “Notice Requirements”.

16 (12) Section 208(c) of such Act (42 U.S.C.
17 408(c)) is amended by striking “subsection (g)” and
18 inserting “subsection (a)(7)”.

19 (13) Section 210(a)(5)(B)(i)(V) of such Act (42
20 U.S.C. 410(a)(5)(B)(i)(V)) is amended by striking
21 “section 105(e)(2)” and inserting “section
22 104(e)(2)”.

23 (14) Section 211(a) of such Act (42 U.S.C.
24 411(a)) is amended—

1 (A) in paragraph (13), by striking “and”
2 at the end; and

3 (B) in paragraph (14), by striking the pe-
4 riod and inserting “; and”.

5 (15) Section 213(c) of such Act (42 U.S.C.
6 413(c)) is amended by striking “section” the first
7 place it appears and inserting “sections”.

8 (16) Section 215(a)(5)(B)(i) of such Act (42
9 U.S.C. 415(a)(5)(B)(i)) is amended by striking
10 “subsection” the second place it appears and insert-
11 ing “subsections”.

12 (17) Section 215(f)(7) of such Act (42 U.S.C.
13 415(f)(7)) is amended by inserting a period after
14 “1990”.

15 (18) Subparagraph (F) of section 218(c)(6) of
16 such Act (42 U.S.C. 418(c)(6)) is amended by ad-
17 justing the left-hand margination thereof so as to
18 align with section 218(c)(6)(E) of such Act.

19 (19) Section 223(i) of such Act (42 U.S.C.
20 423(i)) is amended by adding at the beginning the
21 following heading:

22 “Limitation on Payments to Prisoners”.

23 (b) RELATED AMENDMENTS.—

24 (1) Section 603(b)(5)(A) of Public Law 101–
25 649 (amending section 202(n)(1) of the Social Secu-

1 rity Act) (104 Stat. 5085) is amended by inserting
2 “under” before “paragraph (1),” and by striking
3 “(17), or (18)” and inserting “(17), (18), or (19)”,
4 effective as if this paragraph were included in such
5 section 603(b)(5)(A).

6 (2) Section 10208(b)(1) of Public Law 101–
7 239 (amending section 230(b)(2)(A) of the Social
8 Security Act) (103 Stat. 2477) is amended by strik-
9 ing “230(b)(2)(A)” and “430(b)(2)(A)” and insert-
10 ing “230(b)(2)” and “430(b)(2)”, respectively, effec-
11 tive as if this paragraph were included in such sec-
12 tion 10208(b)(1).

13 (c) CONFORMING, CLERICAL AMENDMENTS UPDAT-
14 ING, WITHOUT SUBSTANTIVE CHANGE, REFERENCES IN
15 TITLE II OF THE SOCIAL SECURITY ACT TO THE INTER-
16 NAL REVENUE CODE.—

17 (1)(A)(i) Section 201(g)(1) of such Act (42
18 U.S.C. 401(g)(1)) is amended—

19 (I) in subparagraph (A)(i), by striking
20 “and subchapter E” and all that follows
21 through “1954” and inserting “and chapters 2
22 and 21 of the Internal Revenue Code of 1986”;

23 (II) in subparagraph (A)(ii), by striking
24 “1954” and inserting “1986”;

1 (III) in the matter in subparagraph (A)
2 following clause (ii), by striking “subchapter E”
3 and all that follows through “1954.” and in-
4 serting “chapters 2 and 21 of the Internal Rev-
5 enue Code of 1986.”, and by striking “1954
6 other” and inserting “1986 other”; and

7 (IV) in subparagraph (B), by striking
8 “1954” each place it appears and inserting
9 “1986”.

10 (ii) The amendments made by clause (i) shall
11 apply only with respect to periods beginning on or
12 after the date of the enactment of this Act.

13 (B)(i) Section 201(g)(2) of such Act (42 U.S.C.
14 401(g)(2)) is amended by striking “section 3101(a)”
15 and all that follows through “1950.” and inserting
16 “section 3101(a) of the Internal Revenue Code of
17 1986 which are subject to refund under section
18 6413(c) of such Code with respect to wages (as de-
19 fined in section 3121 of such Code).”, and by strik-
20 ing “wages reported” and all that follows through
21 “1954,” and inserting “wages reported to the Sec-
22 retary of the Treasury or his delegate pursuant to
23 subtitle F of such Code,”.

1 (ii) The amendments made by clause (i) shall
2 apply only with respect to wages paid on or after
3 January 1, 1995.

4 (C) Section 201(g)(4) of such Act (42 U.S.C.
5 401(g)(4)) is amended—

6 (i) by striking “The Board of Trustees
7 shall prescribe before January 1, 1981, the
8 method” and inserting “If at any time or times
9 the Boards of Trustees of such Trust Funds
10 deem such action advisable, they may modify
11 the method prescribed by such Boards”;

12 (ii) by striking “1954” and inserting
13 “1986”; and

14 (iii) by striking the last sentence.

15 (2) Section 202(v) of such Act (42 U.S.C.
16 402(v)) is amended—

17 (A) in paragraph (1), by striking “1954”
18 and inserting “1986”; and

19 (B) in paragraph (3)(A), by inserting “of
20 the Internal Revenue Code of 1986” after
21 “3127”.

22 (3) Section 205(c)(5)(F)(i) of such Act (42
23 U.S.C. 405(c)(5)(F)(i)) is amended by inserting “or
24 the Internal Revenue Code of 1986” after “1954”.

1 (4)(A) Section 209(a)(4)(A) of such Act (42
2 U.S.C. 409(a)(4)(A)) is amended by inserting “or
3 the Internal Revenue Code of 1986” after “Internal
4 Revenue Code of 1954”.

5 (B) Section 209(a) of such Act (42 U.S.C.
6 409(a)) is amended—

7 (i) in subparagraphs (C) and (E) of para-
8 graph (4),

9 (ii) in paragraph (5)(A),

10 (iii) in subparagraphs (A) and (B) of para-
11 graph (14),

12 (iv) in paragraph (15),

13 (v) in paragraph (16), and

14 (vi) in paragraph (17),

15 by striking “1954” each place it appears and insert-
16 ing “1986”.

17 (C) Subsections (b), (f), (g), (i)(1), and (j) of
18 section 209 of such Act (42 U.S.C. 409) are amend-
19 ed by striking “1954” each place it appears and
20 inserting “1986”.

21 (5) Section 211(a)(15) of such Act (42 U.S.C.
22 411(a)(15)) is amended by inserting “of the Internal
23 Revenue Code of 1986” after “section 162(m)”.

24 (6) Title II of such Act is further amended—

1 (A) in subsections (f)(5)(B)(ii) and (k) of
2 section 203 (42 U.S.C. 403),

3 (B) in section 205(c)(1)(D)(i) (42 U.S.C.
4 405(c)(1)(D)(i)),

5 (C) in the matter in section 210(a) (42
6 U.S.C. 410(a)) preceding paragraph (1) and in
7 paragraphs (8), (9), and (10) of section 210(a),

8 (D) in subsections (p)(4) and (q) of section
9 210 (42 U.S.C. 410),

10 (E) in the matter in section 211(a) (42
11 U.S.C. 411(a)) preceding paragraph (1) and in
12 paragraphs (3), (4), (6), (10), (11), and (12)
13 and clauses (iii) and (iv) of section 211(a),

14 (F) in the matter in section 211(c) (42
15 U.S.C. 411(c)) preceding paragraph (1), in
16 paragraphs (3) and (6) of section 211(c), and
17 in the matter following paragraph (6) of section
18 211(c),

19 (G) in subsections (d), (e), and (h)(1)(B)
20 of section 211 (42 U.S.C. 411),

21 (H) in section 216(j) (42 U.S.C. 416(j)),

22 (I) in section 218(e)(3) (42 U.S.C.
23 418(e)(3)),

24 (J) in section 229(b) (42 U.S.C. 429(b)),

1 (K) in section 230(c) (42 U.S.C. 430(c)),
2 and

3 (L) in section 232 (42 U.S.C. 432),
4 by striking “1954” each place it appears and insert-
5 ing “1986”.

6 (d) RULES OF CONSTRUCTION.—

7 (1) The preceding provisions of this section
8 shall be construed only as technical and clerical cor-
9 rections and as reflecting the original intent of the
10 provisions amended thereby.

11 (2) Any reference in title II of the Social Secu-
12 rity Act to the Internal Revenue Code of 1986 shall
13 be construed to include a reference to the Internal
14 Revenue Code of 1954 to the extent necessary to
15 carry out the provisions of paragraph (1).

16 (e) UTILIZATION OF NATIONAL AVERAGE WAGE
17 INDEX FOR WAGE-BASED ADJUSTMENTS.—

18 (1) DEFINITION OF NATIONAL AVERAGE WAGE
19 INDEX.—Section 209(k) of the Social Security Act
20 (42 U.S.C. 409(k)) is amended—

21 (A) by redesignating paragraph (2) as
22 paragraph (3);

23 (B) in paragraph (3) (as redesignated), by
24 striking “paragraph (1)” and inserting “this
25 subsection”; and

1 (C) by striking paragraph (1) and insert-
2 ing the following new paragraphs:

3 “(k)(1) For purposes of sections 203(f)(8)(B)(ii),
4 213(d)(2)(B), 215(a)(1)(B)(ii), 215(a)(1)(C)(ii),
5 215(a)(1)(D), 215(b)(3)(A)(ii), 215(i)(1)(E),
6 215(i)(2)(C)(ii), 224(f)(2)(B), and 230(b)(2) (and
7 230(b)(2) as in effect immediately prior to the enactment
8 of the Social Security Amendments of 1977), the term ‘na-
9 tional average wage index’ for any particular calendar year
10 means, subject to regulations of the Secretary under para-
11 graph (2), the average of the total wages for such particu-
12 lar calendar year.

13 “(2) The Secretary shall prescribe regulations under
14 which the national average wage index for any calendar
15 year shall be computed—

16 “(A) on the basis of amounts reported to the
17 Secretary of the Treasury or his delegate for such
18 year,

19 “(B) by disregarding the limitation on wages
20 specified in subsection (a)(1),

21 “(C) with respect to calendar years after 1990,
22 by incorporating deferred compensation amounts
23 and factoring in for such years the rate of change
24 from year to year in such amounts, in a manner
25 consistent with the requirements of section 10208 of

1 the Omnibus Budget Reconciliation Act of 1989,
2 and

3 “(D) with respect to calendar years before
4 1978, in a manner consistent with the manner in
5 which the average of the total wages for each of
6 such calendar years was determined as provided by
7 applicable law as in effect for such years.”.

8 (2) CONFORMING AMENDMENTS.—

9 (A) Section 213(d)(2)(B) of such Act (42
10 U.S.C. 413(d)(2)(B)) is amended by striking
11 “deemed average total wages” and inserting
12 “national average wage index”, and by striking
13 “the average of the total wages” and all that
14 follows and inserting “the national average
15 wage index (as so defined) for 1976,”.

16 (B) Section 215(a)(1)(B)(ii) of such Act
17 (42 U.S.C. 415(a)(1)(B)(ii)) is amended—

18 (i) in subclause (I), by striking
19 “deemed average total wages” and insert-
20 ing “national average wage index”; and

21 (ii) in subclause (II), by striking “the
22 average of the total wages” and all that
23 follows and inserting “the national average
24 wage index (as so defined) for 1977.”.

1 (C) Section 215(a)(1)(C)(ii) of such Act
2 (42 U.S.C. 415(a)(1)(C)(ii)) is amended by
3 striking “deemed average total wages” and
4 inserting “national average wage index”.

5 (D) Section 215(a)(1)(D) of such Act (42
6 U.S.C. 415(a)(1)(D)) is amended—

7 (i) by striking “after 1978”;

8 (ii) by striking “and the average of
9 the total wages (as described in subpara-
10 graph (B)(ii)(I))” and inserting “and the
11 national average wage index (as defined in
12 section 209(k)(1))”; and

13 (iii) by striking the last sentence.

14 (E) Section 215(b)(3)(A)(ii) of such Act
15 (42 U.S.C. 415(b)(3)(A)(ii)) is amended by
16 striking “deemed average total wages” each
17 place it appears and inserting “national average
18 wage index”.

19 (F) Section 215(i)(1) of such Act (42
20 U.S.C. 415(i)(1)) is amended—

21 (i) in subparagraph (E), by striking
22 “SSA average wage index” and inserting
23 “national average wage index (as defined
24 in section 209(k)(1))”; and

1 (ii) by striking subparagraph (G) and
2 redesignating subparagraph (H) as sub-
3 paragraph (G).

4 (G) Section 215(i)(2)(C)(ii) of such Act
5 (42 U.S.C. 415(i)(1)(C)(ii)) is amended to read
6 as follows:

7 “(ii) The Secretary shall determine and promulgate
8 the OASDI fund ratio for the current calendar year on
9 or before November 1 of the current calendar year, based
10 upon the most recent data then available. The Secretary
11 shall include a statement of the fund ratio and the na-
12 tional average wage index (as defined in section 209(k)(1))
13 and a statement of the effect such ratio and the level of
14 such index may have upon benefit increases under this
15 subsection in any notification made under clause (i) and
16 any determination published under subparagraph (D).”.

17 (H) Section 224(f)(2) of such Act (42
18 U.S.C. 424a(f)(2)) is amended—

19 (i) in subparagraph (A), by adding
20 “and” at the end;

21 (ii) by striking subparagraph (C); and

22 (iii) by striking subparagraph (B) and
23 inserting the following:

24 “(B) the ratio of (i) the national average wage
25 index (as defined in section 209(k)(1)) for the cal-

1 endar year before the year in which such redeter-
2 mination is made to (ii) the national average wage
3 index (as so defined) for the calendar year before
4 the year in which the reduction was first computed
5 (but not counting any reduction made in benefits for
6 a previous period of disability).’’.

7 (f) TECHNICAL CORRECTIONS RELATED TO OASDI
8 IN THE OMNIBUS BUDGET RECONCILIATION ACT OF
9 1990.—

10 (1) AMENDMENTS RELATED TO PROVISIONS IN
11 SECTION 5103(b) RELATING TO DISABLED WID-
12 OWS.—Section 223(f)(2) of the Social Security Act
13 (42 U.S.C. 423(f)(2)) is amended—

14 (A) in subparagraph (A), by striking “(in
15 a case to which clause (ii)(II) does not apply)”;
16 and

17 (B) by striking subparagraph (B)(ii) and
18 inserting the following:

19 “(ii) the individual is now able to en-
20 gage in substantial gainful activity; or”.

21 (2) AMENDMENTS RELATED TO PROVISIONS IN
22 SECTION 5105(d) RELATING TO REPRESENTATIVE
23 PAYEES.—

24 (A) TITLE II AMENDMENTS.—Section
25 5105(d)(1)(A) of the Omnibus Budget Rec-

1 conciliation Act of 1990 (Public Law 101–508)
2 is amended—

3 (i) by striking “Section 205(j)(5)”
4 and inserting “Section 205(j)(6)”; and

5 (ii) by redesignating the paragraph
6 (5) as amended thereby as paragraph (6).

7 (B) TITLE XVI AMENDMENTS.—Section
8 1631(a)(2) of the Social Security Act (42
9 U.S.C. 1383(a)(2)) is amended—

10 (i) by redesignating subparagraphs
11 (E) and (F) as subparagraphs (F) and
12 (G), respectively; and

13 (ii) by inserting after subparagraph
14 (D) the following:

15 “(E) RESTITUTION.—In cases where the negligent
16 failure of the Secretary to investigate or monitor a rep-
17 resentative payee results in misuse of benefits by the rep-
18 resentative payee, the Secretary shall make payment to
19 the beneficiary or the beneficiary’s representative payee of
20 an amount equal to such misused benefits. The Secretary
21 shall make a good faith effort to obtain restitution from
22 the terminated representative payee.”.

23 (3) AMENDMENTS RELATED TO PROVISIONS IN
24 SECTION 5106 RELATING TO COORDINATION OF
25 RULES UNDER TITLES II AND XVI GOVERNING FEES

1 FOR REPRESENTATIVES OF CLAIMANTS WITH ENTI-
2 TLEMENTS UNDER BOTH TITLES.—

3 (A) CALCULATION OF FEE OF CLAIMANT'S
4 REPRESENTATIVE BASED ON AMOUNT OF PAST-
5 DUE SUPPLEMENTAL SECURITY INCOME BENE-
6 FITS AFTER APPLICATION OF WINDFALL OFF-
7 SET PROVISION.—Section 1631(d)(2)(A)(i) of
8 the Social Security Act (as amended by section
9 5106(a)(2) of the Omnibus Budget Reconcili-
10 ation Act of 1990) (42 U.S.C.
11 1383(d)(2)(A)(i)) is amended to read as fol-
12 lows:

13 “(i) by substituting, in subparagraphs (A)(ii)(I)
14 and (C)(i), the phrase ‘(as determined before any
15 applicable reduction under section 1631(g), and re-
16 duced by the amount of any reduction in benefits
17 under this title or title II made pursuant to section
18 1127(a))’ for the parenthetical phrase contained
19 therein; and”.

20 (B) CALCULATION OF PAST-DUE BENEFITS
21 FOR PURPOSES OF DETERMINING ATTORNEY
22 FEES IN JUDICIAL PROCEEDINGS.—

23 (i) IN GENERAL.—Section 206(b)(1)
24 of such Act (42 U.S.C. 406(b)(1)) is
25 amended—

1 (I) by inserting “(A)” after
2 “(b)(1)”; and

3 (II) by adding at the end the fol-
4 lowing new subparagraph:

5 “(B) For purposes of this paragraph—

6 “(i) the term ‘past-due benefits’ excludes any
7 benefits with respect to which payment has been
8 continued pursuant to subsection (g) or (h) of sec-
9 tion 223, and

10 “(ii) amounts of past-due benefits shall be
11 taken into account to the extent provided under the
12 rules applicable in cases before the Secretary.”.

13 (ii) PROTECTION FROM OFFSETTING
14 SSI BENEFITS.—The last sentence of sec-
15 tion 1127(a) of such Act (as added by sec-
16 tion 5106(b) of the Omnibus Budget Rec-
17 onciliation Act of 1990) (42 U.S.C.
18 1320a–6(a)) is amended by striking “sec-
19 tion 206(a)(4)” and inserting “subsection
20 (a)(4) or (b) of section 206”.

21 (4) APPLICATION OF SINGLE DOLLAR AMOUNT
22 CEILING TO CONCURRENT CLAIMS UNDER TITLES II
23 AND XVI.—

24 (A) IN GENERAL.—Section 206(a)(2) of
25 such Act (as amended by section 5106(a)(1) of

1 the Omnibus Budget Reconciliation Act of
2 1990) (42 U.S.C. 406(a)(2)) is amended—

3 (i) by redesignating subparagraph (C)
4 as subparagraph (D); and

5 (ii) by inserting after subparagraph
6 (B) the following new subparagraph:

7 “(C) In any case involving—

8 “(i) an agreement described in subparagraph
9 (A) with any person relating to both a claim of enti-
10 tlement to past-due benefits under this title and a
11 claim of entitlement to past-due benefits under title
12 XVI, and

13 “(ii) a favorable determination made by the
14 Secretary with respect to both such claims,
15 the Secretary may approve such agreement only if the
16 total fee or fees specified in such agreement does not ex-
17 ceed, in the aggregate, the dollar amount in effect under
18 subparagraph (A)(ii)(II).”.

19 (B) CONFORMING AMENDMENT.—Section
20 206(a)(3)(A) of such Act (as amended by sec-
21 tion 5106(a)(1) of the Omnibus Budget Rec-
22 onciliation Act of 1990) (42 U.S.C.
23 406(a)(3)(A)) is amended by striking “para-
24 graph (2)(C)” and inserting “paragraph
25 (2)(D)”.

1 (5) EFFECTIVE DATE.—Each amendment made
2 by this section shall take effect as if included in the
3 provisions of the Omnibus Budget Reconciliation Act
4 of 1990 to which such amendment relates.

5 (g) ELIMINATION OF ROUNDING DISTORTION IN THE
6 CALCULATION OF THE OLD-AGE, SURVIVORS, AND DIS-
7 ABILITY INSURANCE CONTRIBUTION AND BENEFIT BASE
8 AND THE EARNINGS TEST EXEMPT AMOUNTS.—

9 (1) ADJUSTMENT OF OASDI CONTRIBUTION AND
10 BENEFIT BASE.—

11 (A) IN GENERAL.—Section 230(b) of the
12 Social Security Act (42 U.S.C. 430(b)) is
13 amended by striking paragraphs (1) and (2)
14 and inserting the following:

15 “(1) \$60,600, and

16 “(2) the ratio of (A) the national average wage
17 index (as defined in section 209(k)(1)) for the cal-
18 endar year before the calendar year in which the de-
19 termination under subsection (a) is made to (B) the
20 national average wage index (as so defined) for
21 1992,”.

22 (B) CONFORMING AMENDMENT RELATING
23 TO APPLICABLE PRIOR LAW.—Section 230(d) of
24 such Act (42 U.S.C. 430(d)) is amended by
25 striking “(except that” and all that follows

1 through the end and inserting “(except that, for
2 purposes of subsection (b) of such section 230
3 as so in effect, the reference to the contribution
4 and benefit base in paragraph (1) of such sub-
5 section (b) shall be deemed a reference to an
6 amount equal to \$45,000, each reference in
7 paragraph (2) of such subsection (b) to the av-
8 erage of the wages of all employees as reported
9 to the Secretary of the Treasury shall be
10 deemed a reference to the national average
11 wage index (as defined in section 209(k)(1)),
12 the reference to a preceding calendar year in
13 paragraph (2)(A) of such subsection (b) shall
14 be deemed a reference to the calendar year be-
15 fore the calendar year in which the determina-
16 tion under subsection (a) of such section 230 is
17 made, and the reference to a calendar year in
18 paragraph (2)(B) of such subsection (b) shall
19 be deemed a reference to 1992).”.

20 (C) ADJUSTMENT OF CONTRIBUTION AND
21 BENEFIT BASE APPLICABLE IN DETERMINING
22 YEARS OF COVERAGE FOR PURPOSES OF SPE-
23 CIAL MINIMUM PRIMARY INSURANCE
24 AMOUNT.—Section 215(a)(1)(C)(ii) of such Act
25 is amended by striking “(except that” and all

1 that follows through the end and inserting “(ex-
2 cept that, for purposes of subsection (b) of such
3 section 230 as so in effect, the reference to the
4 contribution and benefit base in paragraph (1)
5 of such subsection (b) shall be deemed a ref-
6 erence to an amount equal to \$45,000, each
7 reference in paragraph (2) of such subsection
8 (b) to the average of the wages of all employees
9 as reported to the Secretary of the Treasury
10 shall be deemed a reference to the national av-
11 erage wage index (as defined in section
12 209(k)(1)), the reference to a preceding cal-
13 endar year in paragraph (2)(A) of such sub-
14 section (b) shall be deemed a reference to the
15 calendar year before the calendar year in which
16 the determination under subsection (a) of such
17 section 230 is made, and the reference to a cal-
18 endar year in paragraph (2)(B) of such sub-
19 section (b) shall be deemed a reference to
20 1992).”.

21 (2) ADJUSTMENT OF EARNINGS TEST EXEMPT
22 AMOUNT.—Section 203(f)(8)(B)(ii) of the Social Se-
23 curity Act (42 U.S.C. 403(f)(8)(B)(ii)) is amended
24 to read as follows:

1 “(ii) the product of the corresponding ex-
2 empt amount which is in effect with respect to
3 months in the taxable year ending after 1993
4 and before 1995, and the ratio of—

5 “(I) the national average wage index
6 (as defined in section 209(k)(1)) for the
7 calendar year before the calendar year in
8 which the determination under subpara-
9 graph (A) is made, to

10 “(II) the national average wage index
11 (as so defined) for 1992,

12 with such product, if not a multiple of \$10,
13 being rounded to the next higher multiple of
14 \$10 where such product is a multiple of \$5 but
15 not of \$10 and to the nearest multiple of \$10
16 in any other case.”.

17 (3) EFFECTIVE DATES.—

18 (A) The amendments made by subsection
19 (a) shall be effective with respect to the deter-
20 mination of the contribution and benefit base
21 for years after 1994.

22 (B) The amendment made by subsection
23 (b) shall be effective with respect to the deter-

1 mination of the exempt amounts applicable to
2 any taxable year ending after 1994.

Passed the House of Representatives May 17, 1994.

Attest: DONNALD K. ANDERSON,
Clerk.

HR 4277 PCS—2

HR 4277 PCS—3

HR 4277 PCS—4

HR 4277 PCS—5

HR 4277 PCS—6

HR 4277 PCS—7

HR 4277 PCS—8

HR 4277 PCS—9

HR 4277 PCS—10

HR 4277 PCS—11